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**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

JIA CHENG, derivatively on behalf of
TINGO GROUP, INC.,

Plaintiff,

v.

ROBERT BENTON, JOHN J. BROWN,
HAO (KEVIN) CHEN, KENNETH DENOS,
DARREN MERCER, DOZY MMOBUOSI,
JOHN MCMILLAN SCOTT, and SIR
DAVID TRIPPIER,

Defendants,

and

TINGO GROUP, INC. f/k/a MICT, INC.,

Nominal Defendant.

Case No: _____

**VERIFIED STOCKHOLDER
DERIVATIVE COMPLAINT**

JURY TRIAL DEMANDED

INTRODUCTION

Plaintiff Jia Cheng (“Plaintiff”), by and through her counsel, derivatively on behalf of Nominal Defendant Tingo Group, Inc. f/k/a MICT, Inc. (“Tingo” or the “Company”), submits this Verified Stockholder Derivative Complaint against Defendants and alleges the following upon information and belief, except as to those allegations concerning Plaintiff, which are alleged upon personal knowledge. Plaintiff’s information and belief is based upon, among other things, her counsel’s investigation, which included, *inter alia*, review and analysis of (i) regulatory filings made by Tingo with the United States Securities and Exchange Commission (“SEC”); (ii) press releases issued and disseminated by Tingo; (iii) *Arbour v. Tingo Group, Inc.*, et al., Case No. 2:23-cv-03151 (the “*Arbour* Action”) and *Bloedorn v. Tingo Group, Inc.*, et al., Case No. 1:23-cv-03153 (the “*Bloedorn* Action” and, together with the *Arbour* Action, the “Securities Class Actions”)—two securities class actions brought in the District of New Jersey against certain officers and members of the Company’s Board of Directors (the “Board”) alleging issuance of false and misleading statements of material fact and the omission of material facts necessary to make other statements made not misleading with respect to Tingo’s business, operations, and prospects made during the Relevant Period (defined below) as described herein;¹ (iv) other related legal proceedings, and (v) other publicly available information, including media and analyst reports, concerning Tingo.

NATURE OF THE ACTION

1. This is a stockholder derivative action asserted on behalf of Nominal Defendant Tingo against certain officers and the members of the Board for the claims asserted herein to

¹ The Class Period in the *Arbour* Action is between March 31, 2023 and June 6, 2023. The Class Period in the *Bloedorn* Action is between December 1, 2022 and June 6, 2023.

recover damages caused to the Company. As discussed below, Tingo has been described as a “worthless and brazen fraud that should serve as a humiliating embarrassment for all involved.” This embarrassment has cost stockholders substantial sums of money.

2. Tingo, formerly known as MICT, Inc. (“MICT”), is a holding company that experienced a meteoric rise based on its status as a self-proclaimed leader in African financial technology (“fintech”) and agricultural financial technology (“agri-fintech”). Yet, Tingo’s ascent was built on a series of lies engineered by Defendant Mmobuosi Odogwu Banye a/k/a Dozy Mmobuosi (“Mmobuosi”), the Company’s former chief executive officer (“CEO”).

3. For years, the Company and its affiliated entities – all controlled by Mmobuosi – scammed investors through a series of fraudulent schemes. The affiliated entities include, among others: (i) Tingo Mobile Limited (“Tingo Mobile”, formerly known as Tingo Mobile, PLC), which Mmobuosi founded in 2001; (ii) Agri-Fintech Holdings, Inc. (“AFH” known first as iWeb, Inc. and then as Tingo, Inc. before being renamed as AFH); and (iii) Tingo Foods PLC (“Tingo Foods”), a purported food processor founded by Mmobuosi in 2022.

4. Tingo purports to operate in Africa, Southeast Asia, and the Middle East in three business segments: (i) TingoPay, a SuperApp that offers a wide range of business to consumer (“B2C”) and business-to-business (“B2B”) services including payment services and e-wallet, foreign exchange, merchant services; (ii) Tingo Foods, a food processing business that processes raw foods into finished products such as rice, pasta, and noodles; and (iii) Tingo DMCC, a commodity trading platform and agricultural commodities export business based out of the Dubai Multi Commodities Center (“DMCC”).

5. Additionally, the Company's wholly owned subsidiary, Tingo Mobile, is purportedly the leading agri-fintech company operating in Africa, with a portfolio of products, including a "device as a service" smartphone and pre-loaded platform product.

6. Starting in 2019, Mmobuosi began positioning Tingo Mobile to access U.S. capital markets, which he ultimately achieved when, in August 2021, iWeb, Inc., a public company, acquired all Tingo Mobile's stock and first renamed itself Tingo, Inc. and later, in April 2023, renamed itself Agri-Fintech Holdings, Inc. Mmobuosi has been the CEO and controlling stockholder of AFH since August 2021.

7. On approximately December 1, 2022, the Company merged with AFH (then Tingo, Inc.) (the "MICT-AFH Merger"). As part of the MICT-AFH Merger, the Company immediately acquired Tingo Mobile), and on February 9, 2023, Tingo announced the acquisition of Tingo Foods.

8. The Company changed its name to Tingo Group, Inc. effective February 27, 2023. Since the MICT-AFH Merger, Tingo traded on the Nasdaq under the ticker symbol "TIO" until it delisted from the Nasdaq on March 1, 2024. Since that time it has traded over-the-counter ("OTC") under the ticker symbol "TIOG".

9. From October 7, 2022 to September 5, 2023 (the "Relevant Period"), the Individual Defendants made materially false and misleading statements and failed to disclose material adverse facts about the Company's business, operations, and prospects. Specifically, the Individual Defendants (defined herein) failed to disclose to investors that (i) Mmobuosi lied about his background, education, and achievements – including falsely claiming he received a PhD and falsely claiming he developed Nigeria's first mobile payment app; (ii) the Company fabricated and inflated its current financials, including claiming that it generated \$128 million in revenue for its

handset leasing, call and data segments and that it had generated \$125.3 million in revenue from Nwassa; (iii) the Company fabricated and inflated its projected financials, including leading investors to believe that its agricultural export business was on track to deliver \$1.34 billion in exports by the Company's third quarter 2023; (iv) the Company used photoshop to advertise nonexistent successes, including passing pictures from a different point of sale system operator's website off as its own by photoshopping its own logo over those pictures and Mmobuosi urging customers on social media to fly with an airline business he claimed to have launched – even though he later admitted to never owning any aircraft and even though the pictures he represented as pictures of Tingo Airlines actually had Tingo's logo photoshopped onto pictures of airplanes it did not own; (v) Tingo publicized sham expansion projects, including misleading investors into believing that it was breaking ground on a \$1.6 billion food processing plant and that it was making “significant progress” on the facility's construction even though the purported progress in reality consisted of six cinderblocks and a plaque; (vi) Tingo inflated both its food division margins, which it purportedly achieved by processing food through a mystery processing partner, and its food inventory; (vii) Tingo did not have relationships with the two farming cooperatives it claimed; (viii) Tingo lacked effective controls over accounting and financial reporting; and (ix) as a result, the Individual Defendants' positive statements about the Company's business, operations, and prospects were materially false, misleading, and lacked a reasonable basis.

10. On June 6, 2023, Hindenburg Research (“Hindenburg”) published a report titled “Tingo Group: Fake Farmers, Phones, and Financials—The Nigerian Empire That Isn't” (the “Hindenburg Report I”) revealing, among other things, that the Company was an “exceptionally obvious scam with fabricated financials” and had made repeated, false representations about its business, operations, and prospects.

11. On August 31, 2023, Hindenburg published a second report titled “Tingo Forges Ahead With Its Brazen Scam as a \$725 Million in Claimed Cash Disappears From its Balance Sheet in One Quarter” (the “Hindenburg Report II”).

12. On December 18, 2023, the SEC filed a complaint in the Southern District of New York captioned *SEC v Dozy Mmobuosi, the Company, Agri-Fintech Holdings, Inc. (f/k/a Tingo Inc.) and Tingo International Holdings, Inc.*, Case No. 23-civ-10928 (the “SEC Action”). The SEC Action alleges that Mmobuosi engaged in a multi-year scheme to inflate the financial performance metrics of these companies and key operating subsidiaries to defraud investors worldwide. On December 19, 2023, the SEC obtained a temporary asset freeze, restraining order, and other emergency relief against defendants in the SEC Action, which, on February 9, 2024, was extended until March 15, 2024.

13. On January 2, 2024, the Department of Justice (“DOJ”) announced that it had indicted Mmobuosi with securities fraud, making false filings with the SEC, and conspiracy charges (the “DOJ Action”).

14. As a direct and proximate result of the misconduct described herein by the Individual Defendants, Tingo has sustained significant damages. As the truth about Tingo emerged, the stock price plummeted approximately 56%. Specifically, the stock price fell from \$2.55 per share at close on June 5, 2023 to \$1.12 per share at close on September 5, 2023. This loss in valuation was triggered by a series of revelations that, for the first time, disclosed the truth about Tingo’s previously released false and misleading statements.

JURISDICTION AND VENUE

15. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1331 because the Complaint raises a federal question under Sections 10(b) and 14(a) of the Exchange Act as well as Securities and Exchange Commission (“SEC”) Rule 14a-9 promulgated thereunder. The Court

has supplemental jurisdiction over the pendent state law claims pursuant to 28 U.S.C. § 1367(a) because the state law claims form part of the same case or controversy. This action is not a collusive one designed to confer jurisdiction on a court of the United States that it would not otherwise have.

16. This Court has jurisdiction over each defendant because they reside in this District or have sufficient minimum contacts with this District to render the exercise of jurisdiction by the Court permissible under traditional notions of fair play and substantial justice. The Court has personal jurisdiction over the nominal defendant because it is authorized to do business in this state and has consented to service in this state.

17. Venue is proper in this District pursuant to 28 U.S.C. § 1391 because one or more of the Defendants either resides in or maintains offices in this District; a substantial portion of the transactions and wrongs complained of herein, including the Defendants' primary participation in the wrongful acts detailed herein and violation of fiduciary duties owed to Tingo occurred in this District; and Defendants have received substantial compensation in this District by doing business here and engaging in numerous activities that had an effect in this District.

PARTIES

18. Plaintiff is a Tingo stockholder and has continuously held Tingo shares from the time of the wrongdoing alleged herein until the present. Plaintiff will fairly and adequately represent Tingo's interest in this action.

19. Nominal Defendant Tingo is incorporated under the laws of Delaware, and its principal executive offices are located in Montvale, New Jersey. Tingo's common stock trades on the Nasdaq exchange under the symbol "TIO."

20. Defendant Robert Benton (“Benton”) served on the Board from April 2021 until his resignation in September 2023. He was a member of the Audit Committee from 2021, serving as its Chair from at least 2021 until his resignation.

21. Defendant John J. Brown (“Brown”) served as a member of the Board from at least December 2022 until his resignation in December 2023. Previously, Brown served as a member of the board of directors of TMNA from September 2021 until December 2022.

22. Defendant Hao (Kevin) Chen (“Chen”) has served as the Company’s Chief Financial Officer (“CFO”) since November 2021.

23. Defendant Kenneth Denos (“Denos”) has served as a member of the Board since November 2022 and as interim co-CEO of the Company since September 2023. From September 2021 until December 2022, Denos served as the Company’s Executive Vice President, General Counsel, and Corporate Secretary.

24. Defendant Darren Mercer (“Mercer”) served as a member of the Board since November 2019 and was appointed Interim Chief Executive Officer (“CEO”) in April 2020, and subsequently CEO. Mercer resigned from both positions in September 2023.

25. Defendant Mmobuosi founded Tingo Mobile in 2001 and Tingo Foods in 2022. He served as interim co-CEO of the Company from September 2023 until he temporarily stepped down in December 2023. Previously, and starting in August 2021, Mmobuosi also served as founder and CEO of AFH.

26. Defendant John M. Scott (“Scott”) has served as a member of the Board since November 2019, sitting as Chair since September 2023. Scott served as a member of the Audit Committee since at least 2019.

27. Defendant Sir David Trippier (“Trippier”) has served as a member of the Board since May 2022. Trippier has been a member of the Audit Committee since 2022, serving as its Chair since at least December 2023.

28. The following Defendants are hereinafter referred to as the “Individual Defendants”: Benton, Brown, Chen, Denos, Mercer, Mmobuosi, Scott, and Trippier.

29. The following Individual Defendants are collectively referenced herein as the “Director Defendants”: Denos, Scott, and Trippier.

30. The following Individual Defendants are collectively referenced herein as the “Audit Committee Defendants”: Scott and Trippier.

31. The following Individual Defendants are collectively referenced herein as the “Securities Class Action Defendants”: Chen, Mercer, and Mmobuosi.

**THE INDIVIDUAL DEFENDANTS OWE FIDUCIARY
DUTIES TO THE COMPANY AND ITS STOCKHOLDERS**

32. At all times relevant to this case, the conduct of the Individual Defendants was governed by well-recognized rules to protect the Company and its stockholders, the members of the public who had invested in Tingo.

33. Because of their positions as officers and/or directors of the Company and their ability to control its business and corporate affairs, the Individual Defendants owed the Company and its stockholders the fiduciary obligations of good faith, loyalty, and candor and were and are required to use their utmost ability to control and manage the Company in a fair, just, honest, and equitable manner.

34. The Individual Defendants were and are required to act in furtherance of the best interests of the Company and its stockholders to benefit all stockholders equally and not in furtherance of their personal interest or benefit.

35. Each of the Company's directors owes to the Company and its stockholders fiduciary duties of care and loyalty, including good faith, oversight, and candor, to exercise good faith and diligence in the administration of the affairs of the Company and in the use and preservation of its property and assets.

36. Because of their positions of control and authority as directors and/or officers of the Company, the Individual Defendants were able to and did, directly and indirectly, exercise control over the wrongful acts alleged herein.

37. To discharge their duties, the Individual Defendants were required to exercise reasonable and prudent supervision over the management, policies, practices, and controls of the Company. By virtue of such duties, the officers, and directors of Tingo were required to do the following:

- Ensure that the Company complied with its legal obligations and requirements, including acting only within the scope of its legal authority and disseminating truthful and accurate statements to the SEC and the investing public;
- Conduct the affairs of the Company in a lawful, efficient, and business-like manner to make it possible for the Company to provide the highest quality performance of its business, to avoid wasting the Company's assets, and to maximize the value of the Company's stock;
- Properly and accurately inform investors and analysts as to the true financial condition of the Company at any given time, make accurate statements about the Company's financial results and prospects, and ensure that the Company maintained an adequate system of financial controls such that the Company's financial reporting would be true and accurate at all times;
- Remain informed as to how the Company conducted its operations, and, upon notice of imprudent or unsound conditions or practices, make reasonable inquiry into the nature and cause of such conditions and practices, correct such conditions or practices, and make such disclosures as necessary to comply with federal and state securities laws; and
- Ensure that the Company was operated in a diligent, honest, and prudent manner in compliance with all applicable federal, state, and local laws, rules, and regulations.

38. The Individual Defendants knowingly violated their obligations as directors and officers of the Company, acting without good faith and consciously disregarding their duties to the Company and its stockholders despite their knowledge of the risk of serious injury to the Company.

39. Because of their positions of control and authority, the Individual Defendants were able to exercise control over the wrongful acts complained of herein, as well as the contents of the various public statements issued by Tingo.

40. In addition to these general duties, the Individual Defendants were also bound by Tingo's corporate governance documents.

Tingo's Code of Business Conduct & Ethics

41. The Tingo Board has adopted Tingo's Code of Business Conduct and Ethics (the "Code") to deter wrongdoing, which imposes additional duties and responsibilities on the Individual Defendants, including the following:

Reporting Violations of the Code

All employees have a duty to report any known or suspected violation of this Code, including any violation of the laws, rules, regulations[,] or policies that apply to the Company. If you know of or suspect a violation of this Code, immediately report the conduct to your supervisor or a member of the Governance Committee, who will work with you and your supervisor to investigate your concern.

* * *

It is Company policy that any employee who violates this Code will be subject to appropriate discipline, which may include termination of employment. This determination will be based upon the facts and circumstances of each particular situation. An employee accused of violating this Code will be given an opportunity to present his or her version of the events at issue prior to any determination of appropriate discipline. Employees who violate the law or this Code may expose themselves to substantial civil damages, criminal fines[,] and prison terms. The Company may also face substantial fines and penalties and may incur damage to its reputation and standing in the community. Your conduct as a representative of the Company, if it does not comply with the law or with this Code, can result in serious consequences for both you and the Company.

* * *

COMPANY RECORDS

Accurate and reliable records are crucial to our business. Our records are the basis of our earnings statements, financial reports[,] and other disclosures to the public and guide our business decision-making and strategic planning. Company records include booking information, payroll, timecards, travel and expense reports, e-mails, accounting and financial data, measurement and performance records, electronic data files[,] and all other records maintained in the ordinary course of our business.

All Company records must be complete, accurate[,] and reliable in all material respects. Undisclosed or unrecorded funds, payments[,] or receipts are inconsistent with our business practices and are prohibited. You are responsible for understanding and complying with our record keeping policy. Ask your supervisor if you have any questions.

ACCURACY OF FINANCIAL REPORTS AND OTHER PUBLIC COMMUNICATIONS

As a public company, we are subject to various securities laws, regulations[,] and reporting obligations. Both federal law and our policies require the disclosure of accurate and complete information regarding the Company's business, financial condition[,] and results of operations. Inaccurate, incomplete[,] or untimely reporting will not be tolerated and can severely damage the Company and result in legal liability.

The Company's principal financial officers have a special responsibility to ensure that all of our financial disclosures are full, fair, accurate, timely[,] and understandable. These employees must understand and strictly comply with generally accepted accounting principles and all standards, laws[,] and regulations for accounting and financial reporting of transactions, estimates[,] and forecasts.

COMPLIANCE WITH LAWS AND REGULATIONS

Each employee has an obligation to comply with all laws, rules[,] and regulations applicable to the Company's operations. These include, without limitation, laws covering bribery and kickbacks, copyrights, trademarks and trade secrets, information privacy, insider trading, illegal political contributions, antitrust prohibitions, foreign corrupt practices, offering or receiving gratuities, environmental hazards, employment discrimination or harassment, occupational health and safety, false or misleading financial information[,] or misuse of corporate assets. You are expected to understand and comply with all laws, rules[,] and regulations that apply to your job position. If any doubt exists about whether a course of action is lawful, you should seek advice from your supervisor or a member of the Governance Committee.

Tingo’s Audit Committee Charter

42. The Audit Committee Charter (the “Audit Charter”) places additional duties and responsibilities upon the members of the Board’s Audit Committee, which consisted of Benton, Scott, and Trippier during the Relevant Period.

43. The purpose of the Audit Committee Pursuant to the Audit Charter, the overarching duties of the Audit Committee and its members include the following:

A. Purpose

The Audit Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) to provide assistance to the Board in fulfilling its oversight responsibility to the stockholders, potential stockholders, the investment community, and others relating to the Company’s financial statements and the financial reporting process, the systems of internal accounting and financial controls, the annual independent audit of the Company’s financial statements, and the legal compliance and ethics programs as established by management and the Board. The committee shall also monitor the qualifications and independence of the independent auditors and the internal auditor, as well as their overall performance.

* * *

C. Committee Authority and Responsibilities

The primary responsibility of the Committee is to oversee the Company’s financial reporting process on behalf of the Board and report the results of their activities to the Board. . . . The Committee should take the appropriate actions to set the overall corporate “tone” for quality financial reporting, sound business risk practices[,] and ethical behavior.

* * *

The authority and responsibilities of the Committee shall include:

* * *

Oversight of Independent Auditors

3. Having the sole authority and direct responsibility for appointing, compensating, retaining[,] and overseeing the independent auditors for the purpose of preparing or issuing an audit report or performing other audit, review[,] or attest services and the independent auditors shall report directly to the Committee;

4. Requesting from the independent auditors a formal written statement delineating all relationships between the auditor and the Company, consistent with Independence Standards Board Standard No. 1, and engaging in a dialogue with the auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditors;
5. Pre-approving all audit and non-audit services (including the fees and terms thereof) to be provided to the Company by the independent auditors, subject to a de minimis exception as set forth in the Securities and Exchange Commission rules;
6. Discussing with the independent auditors the overall scope and plans for their audit including their approach and independence, and discussing with the Company's accounting department the adequacy of staffing;
7. Reviewing the performance of the independent auditors, with the understanding of both management and the independent auditors that the independent auditors are ultimately accountable to the Board and the Committee, as representatives of the Company's stockholders;
8. Discussing with the Company's independent auditors the matters required to be discussed by Auditing Standard No. 16, as it may be modified or supplemented;
9. Evaluating and, where appropriate, replacing the independent auditors;
10. Discussing with management, the Company's accounting department[,], and the independent auditors the adequacy and effectiveness of the accounting and financial controls, including the Company's system to monitor and manage business risk, and legal and ethical compliance programs;
11. Providing oversight and monitoring of Company management, and the independent auditors and their activities with respect to the Company's financial reporting process;
12. Resolving disagreements between Company management and the independent auditors regarding financial reporting;

Review of Financial Statements

13. Reviewing with management and the independent auditors, the financial statements to be included in the Company's annual and quarterly reports, including their judgment about the quality, not just acceptability, of accounting principles, the reasonableness of significant judgments, and the clarity of the disclosures in the financial statements;
14. Providing a report in the Company's proxy statement in accordance with the requirements of Item 306 of Regulation S-K, as amended, and Item 7(d)(3) of Schedule 14A, as amended;

15. Discussing the results of the annual audit, quarterly review and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards[.]

BACKGROUND

44. Tingo was founded in 2001. First known as Lapis technologies, Inc., the Company changed its name to Micronet Enertee Technologies, Inc. on March 2013, then to MICT in July 2018. The Company operated as MICT, a public company trading on the Nasdaq exchange, until December 2022. During that time, its purported business consisted of an insurance brokerage business trying to break into Chinese markets. In 2021, Tingo operated at net losses of over \$36 million. Thus, the Company needed to enter into a transaction to remain in business. In February 2023, the Company finally changed its name to Tingo Group, Inc.

45. Mmobuosi founded AFH in or about 2013. AFH described itself as the leading agri-fintech company operating in Africa, with a marketplace platform that empowers social upliftment through mobile, technology, and financial access for rural farming communities. AFH purportedly provided a novel “device as a service” business model that allows it to add market-leading applications to enable customers to trade, buy top-ups, pay bills, and access insurance and lending services.

46. AFH included two subsidiaries (i) Tingo Mobile, which purportedly enabled subscribers/farmers to manage their commercial activities of growing and selling their production to market participants both domestically and internationally; and (ii) Tingo Foods a food-produce export business.

47. Mmobuosi positioned Tingo Mobile to access U.S. capital markets. Before 2020, Tingo Mobile was a standalone, private company. From February 2020 until August 2021, it was a private company wholly owned by Tingo International Holdings, Inc. In August 2021, Mmobuosi achieved his goal by orchestrating the acquisition of all Tingo Mobile’s stock by AFH,

a public company. Mmobuosi has been the CEO and controlling stockholder of AFH since August 2021. Tingo Mobile was wholly owned by AFH and publicly traded OTC until November 2022. The Company has wholly owned Tingo Mobile since the MICT-AFH Merger, discussed below, in December 2022.

48. On May 10, 2022, AFH, which was trading on the OTC Markets under the ticker “TMNA,” and MICT announced that they had executed a definitive merger agreement. As a result of the merger agreement, AFH would merge into a newly formed subsidiary of MICT. The Company expected that the business combination would allow the Company to create about \$900 million in annual revenue, globalize its business, leverage its proprietary technology, and create best-in-class financial platforms, products, and services.

49. Tingo also touted that the combined technology stack of both AFH and MICT was expected to create one of the world’s leading fully integrated fintech platforms offering combined financial services, payment services, a comprehensive marketplace, and an e-wallet. The MICT-AFH Merger would purportedly integrate the successful wealth management, share trading, and insurance offering capabilities of MICT, with the fintech and one-stop-shop marketplace capabilities of the Tingo platform.

50. The Company also expected that the combined cash balances of AFH and MICT were to total over \$200 million, which would purportedly position the Company to take advantage of further growth opportunities and future potential strategic acquisitions.

51. On approximately December 1, 2022, the Company completed the MICT-AFH Merger, acquiring Tingo Mobile in the process.

52. Finally, on February 9, 2023, the Company announced the additional acquisition of Tingo Foods.

**DEFENDANTS BREACH THEIR DUTIES
TO THE COMPANY AND ITS STOCKHOLDERS**

53. Through a series of communications, Defendants made materially false and misleading statements and failed to disclose material adverse facts about the Company's business, operations, and prospects.²

The October 7, 2022 Press Release

54. On October 7, 2022, the Company issued a press release ("October 7, 2022 PR") announcing that it had entered into a new merger agreement to acquire 100% of operating business and assets of AFH in return for the issuance by MICT of a combination of 19.9% of MICT's common stock and two series of convertible preference shares (which if fully converted by AFH and all conversion conditions were met, would result in AFH owning 75% of MICT).

55. The Company also explained in that press release that the new merger structure would purportedly expedite the launch of Tingo's food-produce export business, as enabled through funding from MICT, which would benefit from several high-margin and material export contracts that would allow the shift of a substantial part of Tingo's revenues directly into US dollars and that it would accelerate the development and launch of Tingo's commodity platform and commodity trading business. Specifically, the October 7, 2022 PR stated in pertinent part:

The primary reasons for the new merger structure are to expedite the launch of Tingo's food-produce export business, as enabled through funding from MICT, benefiting from several high-margin and material export contracts that will allow the shift of a substantial part of Tingo's revenues directly into US dollars. The transaction also enables the acceleration of the development and launch of Tingo's commodity platform and commodity trading business.

² Unless otherwise noted, the punctuation in excerpts from the Company's press releases, SEC filings, and other documents containing false or misleading statements appears here as in the original source.

56. Also in the October 7, 2022 PR, Mercer (then-CEO of the Company) was quoted as saying:

The Board of [Tingo] and I are extremely excited about the tremendous prospects and opportunities arising from this new transaction. It will have an immediate material positive impact on the income, earnings and balance sheet of [Tingo] from the date of initial closing, which is expected to occur during November 2022 (following the receipt of [AFH]’s stockholder approval, in relation to which voting support agreements have been received covering approximately 70% of [AFH]’s issued common stock).

[AFH] has clearly demonstrated its capabilities and technology, and its operating business is now extremely well positioned to expand globally, including through its upcoming new business streams and product launches.

We anticipate that the dollarization of [AFH]’s business, as supported by access to our funding, will significantly elevate the value and quality of earnings of [AFH]’s operating business, and is therefore a high priority focus for us in terms of where we can immediately add substantial value.

In my opinion, it is unquestionable that this transaction delivers a huge enhancement to our stockholders, not least from the fact that [Tingo] as a group will be significantly profitable, from the date of closing, and will be in a very strong position to further enhance earnings from 2023 and beyond.

The October 20, 2022 Press Release

57. On October 20, 2022, the Company and AFH, which was trading in the OTC market under the ticker “TMNA” and still known as Tingo, Inc. at that time, issued a press release (“October 20, 2022 PR”), this time announcing that Tingo Mobile, which was being wholly acquired by the Company as part of the MICT-AFH Merger, had entered a trade agreement with the All Farmers Association of Nigeria (“AFAN”), the umbrella body of the 56 recognized commodities and agricultural associations in Nigeria.

58. The October 20, 2022 PR explained that, under the terms of the agreement, “AFAN has committed to add a minimum of 20 million additional subscribers, which would more than triple Tingo Mobile’s existing customer base of 9.3 million. These new subscribers would be

comprised principally of owners of small and medium-sized agricultural enterprises throughout the country.”

59. Also in the October 20, 2022 PR, the Company stated that the partnership was expected to have “a material impact on Tingo Mobile’s revenue and profitability” and that “from its current base of 9.3 million customers, Tingo Mobile generated revenues of \$525.7 million, gross profit of \$317.4 million[,] and income before tax of \$298.4 million during the six months ended June 30, 2022” and that during the same period “\$252.4 million, or approximately 48.0% of the Company’s total revenue, was derived from service fees generated through the Nwassa Agri-Fintech platform.”

The November 10, 2022 Press Release

60. On November 10, 2022, the Company issued another press release (“November 10, 2022 PR”) announcing that Tingo Mobile “has today opened a head office in Accra, Ghana and has launched nationwide operations.” The November 10, 2022 PR also explained that Tingo Mobile had signed a “landmark trade deal with the Kingdom of Ashanti, covering [a] major agricultural and cocoa farming region.” The Ashanti Investment Trust purportedly “commit[ted] to enroll a minimum of 2 million new members to [AFH] and agree[d] to target to enroll at least 4 million new members.”

61. The November 10, 2022 PR further stated: “Ghana and the trade deal with Ashanti Investment Trust also represents a considerable opportunity for Tingo Mobile’s planned export business.” As part of these developments, the press release explained that Tingo Mobile would be “rolling out its Nwassa Agri-Fintech marketplace platform in Ghana” and that it “plan[ned] to launch the TingoPay SuperApp in the coming weeks.”

The November 16, 2022 Press Release

62. In a November 16, 2022 press release (“November 16, 2022 PR”), the Company announced that on that day it had “launched its partnership with the [AFAN] ahead of schedule” and that AFAN had “commenced to enroll its members in [AFH]’s platforms and products, including its Nwassa Agri-Fintech platform.”

63. The November 16, 2022 PR also claimed that as of that date, Tingo Mobile had “launched its pan-African partnership with leading global payments technology company, Visa, with the rollout a[of] a range of new products and services including Tingo Visa digital payment cards, a Tingo Mobile secure payment service[,] and a Tingo Mobile Point of Sale merchant service.”

64. The November 16, 2022 PR quoted Mercer, then-CEO of Tingo as follows: “While we expect the combination of today’s two partnership launches to have a material impact on the [Tingo Group’s] consolidated revenues and profitability in Q4 2022, we expect a more significant acceleration of growth to occur in 2023.”

The November 29, 2022 Press Release

65. In a November 29, 2022 press release (“November 29, 2022 PR”), the Company announced that following the completion of the MICT-AFH Merger via the acquisition of Tingo Mobile, the Company (at that time still called MICT) was “expected to have a cash position in excess of \$300 million . . . as well as an annualized revenue run rate approaching USD \$1.2 billion and a net income before tax run rate of approaching USD \$650 million.”

66. In the November 29, 2022 PR, Mercer, then-CEO of Tingo, was quoted as saying: “The acquisition of Tingo Mobile will not only make [the Company] significantly profitable from Q4 2022 onwards, it also provides us with a robust balance sheet that allows us to implement

several strategic initiatives, including a considerable stock buyback program, which we are considering at the current time.”

The December 1, 2022 Press Release and December 6, 2022 8-K

67. On December 1, 2022, the Company announced in a press release (“December 1, 2022 PR”) that the acquisition provided the Company with “[s]ignificant and [i]mmediate [b]enefits,” including, among other purported benefits, “[o]wnership of 100% of [AFH]’s [o]perating [b]usiness and [a]ssets (namely Tingo Mobile [])” and [t]he opportunity to globalize and dollarize an already established rapidly growing and highly scalable fintech and agri-fintech business.”

68. Additionally, in the December 1, 2022 PR, then-CEO Mercer is quoted as saying, in relevant part:

We firmly believe we have acquired one of the world’s most exciting agri-fintech and fintech businesses. As reported in [AFH]’s Q3 results, Tingo Mobile is already highly profitable and growing strongly. Within the past few weeks, Tingo Mobile has delivered a number of major trade deals, which not only are expected to result in a more than tripling of current customer numbers, but also marks the commencement of its global expansion.

The completion of this acquisition markedly strengthens our balance sheet and makes us immediately significantly profitable. We therefore expect to report substantial earnings for Q4 2022, followed by material quarter over quarter growth in both revenues and profitability in 2023 and beyond.

69. Also in the December 1, 2022 PR, Mmobuosi is also quoted stating that “[t]oday’s merger is enabling us to accelerate upon our ambitious global expansion strategy, which in turn is already beginning to dollarize our business, a trend that is expected to continue and grow throughout 2023 and beyond.”

70. On December 6, 2022, the Company filed a Form 8-K with the SEC, that attached the December 1, 2022 PR and incorporated it by reference.

December 8, 2022 Proxy Statement

71. On December 8, 2022, Tingo filed a Schedule 14A with the SEC (“2022 Proxy”). Chen and Mercer signed the 2022 Proxy, which was filed pursuant to Section 14(a) of the Exchange Act. The 2022 Proxy contained material misstatements and omissions.

72. The 2022 Proxy asked Tingo stockholders to vote to, among other things, (1) elect five directors—including Benton, Mercer, Scott, and Trippier—to the Board for a one-year term ending as of the Company’s annual meeting of stockholders in fiscal year 2023; (2) ratify the appointment of Brightman Almagor Zohar & Co. Certified Public Accountant, a firm in the Deloitte Global Network (“Deloitte”), as Tingo’s independent registered public accounting firm for the fiscal year ending December 31, 2022; and (3) approve an amendment to the Company’s 2020 Equity Incentive Plan (the “2020 Plan”) to increase the number of shares of common stock authorized to be issued pursuant to the 2020 Plan from 20,000,000 to 25,000,000.

73. The 2022 Proxy stated as follows regarding the 2020 Plan:

The purpose of this increase is to continue to be able to attract, retain[,] and motivate executive officers and other employees and certain consultants. Upon stockholder approval, an additional 5,000,000 shares of common stock will be reserved for issuance under the 2020 Plan, which will enable us to continue to grant equity awards to our officers, employees[,] and consultants at levels determined by the Board to be necessary to attract, retain[,] and motivate the individuals who will be critical to our Company’s success in achieving its business objectives and thereby creating greater value for all our stockholders.

Furthermore, we believe that equity compensation aligns the interests of our management and other employees with the interests of our other stockholders. Equity awards are a key component of our incentive compensation program. We believe that option grants have been critical in attracting and retaining talented employees and officers, aligning their interests with those of stockholders, and focusing key employees on the long-term growth of our Company. We anticipate that option grants and other forms of equity awards such as restricted stock awards may become an increasing component in similarly motivating our consultants.

74. The 2022 Proxy was materially misleading because it failed to disclose that Tingo’s business, operations, and practices were fraudulent and in complete disregard of the federal

securities laws. The 2022 Proxy failed to disclose that the Company was acting in violation of the Code of Conduct and that the Board and its committees were not effectively nor adequately exercising their oversight responsibilities and were causing or permitting Tingo to issue false and misleading statements.

The February 14, 2023 Press Release

75. On February 14, 2023, the Company issued a press release (“February 14, 2023 PR”) announcing a Visa and Tingo Mobile partnership. Specifically, the February 14, 2023 PR stated: “[t]he launch of the Tingo Visa card, together with the new TingoPay Super App and the TingoPay business portal, opens significant global opportunities” to subscribers, “allowing cashless payments at more than 61 million merchants in over 200 countries through Visa’s global network, as well as the ability for business subscribers to more readily and securely accept payments from customers and other third parties.”

76. In the February 14, 2023 PR, the Company claimed its payment group had point of sale and other merchant products. Specifically, the press release announced:

Customers [can] use their Tingo Visa card via the TingoPay Super App and use it to make online transactions in their domestic or foreign currencies, as well as to manage their cards, set up repeat payments, and access transaction statements. The Tingo Visa card’s interface with the TingoPay super app and e-wallet allows customers to use their digital money easily and securely for both online and physical payments anywhere Visa is accepted. Additionally, TingoPay’s users can benefit from a broad selection of value-added services, including the ability to pay utilities and bills, top-up airtime and data, make funds and forex transfers, apply for loans, arrange pensions, purchase insurance products, make travel bookings and access the Nwassa agricultural produce marketplace.

The February 22, 2023 Press Release

77. On February 22, 2023, the Company issued a press release (“February 22, 2023 PR”) announcing that its wholly owned subsidiary, Tingo Foods, had “entered into a partnership with Evttec Energy Plc (‘Evttec Energy’), who have committed to build a \$150 million net zero

carbon emission solar plant to provide a sustainable and low-cost energy source to power Tingo Foods’ multi-billion-dollar food processing facility announced on February 9, 2023.”

78. The Company further stated in the February 22, 2023 PR that:

The state-of-the-art \$1.6 billion Tingo Foods processing facility in the Delta State of Nigeria is scheduled to be completed by the end of the first half of 2024. The new facility, believed to be the largest in Africa, is expected to multiply the food processing capacity and revenues of Tingo Foods, allowing it to expand its current product range. . . .

* * *

By constructing its own on-site 110 megawatt solar power plant using the advanced energy-tech of Evtec Energy and utilizing the technology of TAE Power Solutions Limited (“TAE Power”), Tingo Foods expects its food processing facility to achieve net zero carbon emissions while also benefiting from considerable energy cost savings.

The February 24, 2023 Press Release

79. In a February 24, 2023 press release (“February 24, 2023 PR”), the Company announced that it was rebranding and changing its name from MIC, Inc. to Tingo Group, Inc. and changing its ticker from MITC to TIO. As part of this announcement, the February 24, 2023 PR explained that the Company was in the process of “leverage[ing] Tingo’s fast growing customer base through the addition of new products with significant new income streams.”

The March 31, 2023 Press Release, Earnings Call, and 10-K

80. On March 31, 2023, the Company issued a press release (“March 31, 2023 PR”) announcing its full-year 2022 financial results and stating that the “[a]cquisition of 100% of Tingo Mobile Completed on November 30, 2022[] ma[de] the Company significantly profitable from December 1, 2022” and that the “Company’s [i]ntegration with Tingo Mobile saw a [s]ignificant [a]cceleration in [g]rowth of the [c]ombined [g]roup [d]uring Q4 2022, with the [s]igning of [m]ajor [n]ew [t]rade [p]artnerships, [i]nternational [e]xpansion[,] and [l]aunch of [s]everal [s]ignificant [n]ew [p]roducts and [b]usinesses.”

81. Under the headline *Financial Results*, the March 31, 2023 PR stated:

- Tingo Group cash balances at [sic here and throughout] December 31, 2022, amounted to \$500.3 million, compared to \$96.6 million at December 31, 2021.
- Net revenues of Tingo Group for 2022 (including Tingo Mobile for one month only from December 1, 2022) were \$146.0 million, compared to \$55.7 million in 2021.
- Pro Forma Consolidated Revenues for 2022 were \$1.152 billion, compared to \$921.5 million for the prior year, which after stripping out non-recurring mobile handset sales in 2021 of \$301.0 million, represented an increase of 85.5%.
- Tingo Mobile's Handset Leasing Revenues for 2022 were \$476.3 million, up 50.3% on 2021 revenues of \$316.9 million.
- Nwassa Agri Fintech platform revenues for 2022 were \$532.2 million, up 168.0% on 2021 revenues of \$198.6 million.
- Operating loss of Tingo Group for 2022 (including Tingo Mobile for one month only from December 1, 2022) was \$11.8 million, after accounting for non-recurring transaction expenses of \$9.6 million and share based payments of \$6.6 million, which if added back would result in an operating profit of \$4.3 million, compared to a loss of \$37.9 million for 2021.
- Pro Forma Consolidated Operating Income for 2022 was \$554.6 million, compared to a loss of \$47.0 million in 2021.
- Pro Forma Consolidated EBITDA for 2022 was \$954.5 million, compared to a Pro Forma Consolidated EBITDA of \$275.6 million for 2021.
- Tingo Mobile increased the customer numbers on its Nwassa Agri Fintech platform to 11.4 million at December 31, 2022, from 9.3 million at September 30, 2022, and handled more than \$1 billion of customer transactions in the month of December.

82. Under the title *Operational Milestones*, the March 31, 2023 PR stated:

- Signed major trade partnership with the [AFAN] on October 20, 2022, which launched ahead of schedule on November 16[,] 2022, and includes commitment to enroll a minimum of 20 million new customers with Tingo Mobile.
- Launched operations in Ghana on November 10, 2022, and signed a landmark trade deal with the Kingdom of Ashanti covering major agricultural and cocoa farming region, including a commitment to enroll a minimum of 2 million new

customers with Tingo Mobile and a target to increase enrollments to more than 4 million.

- Launched global commodity platform and export business on December 12, 2022, in partnership with the [DMCC], the world's no.1 free trade zone, with the aim of generating a substantial increase in sales demand for the crops produced by Tingo Mobile's farmers.
- Launched in Malawi on December 14, 2022, representing a sizeable market in its own right, and also constituting a strategically important base from which to expand into East Africa, including the neighbouring countries of Tanzania, Zambia[,] and Mozambique.
- Acquired 100% ownership of Tingo Foods [] on February 9, 2023, a recently established food processing business with the capacity to offtake large volumes of raw crops from Tingo Mobile's farmers into finished food and beverage products. Since its inception in September 2022, Tingo Foods generated more than \$400 million of highly profitable revenues during the four months ended December 31, 2022.
- Tingo Foods, through a joint venture, has recently committed to fit-out and operate a \$1.6 billion state of the art food processing facility in the Delta State of Nigeria, which is believed to be the largest of its kind on the African continent, and is expected to multiply the company's food processing capacity, as well as expand its range of food and beverage products.
- Launched the TingoPay Super App and a pan-African partnership with Visa on February 14, 2023, which once fully rolled out will offer retail customers an integrated digital Visa card, together with payments services, an e-wallet, and a wide range of value-added services. TingoPay, with Visa, will also offer a full range of merchant services to businesses, including to Tingo Mobile's farmers.
- Appointed specialist legal counsel and a team of expert advisors in February 2023 to investigate market manipulation and unlawful naked short selling of stock, and take appropriate action to prosecute any parties that have perpetrated illegal activity, and protect the Company from any such action in the future.
- A special dividend plan and share buyback program are being considered as possible means of increasing shareholder value and to address the significant disconnect between the Company's share price and its real value (in line with valuation multiples applied to other comparable Nasdaq listed companies).

83. In the same press release, with respect to the Company's integration of its business segments Mercer is quoted stating, in relevant part:

Our focus for much of 2022 was on completing and integrating our acquisition. After completing extensive due diligence and analysis on Tingo Mobile with a first-class team of globally renown advisors, including Ernst & Young, Dentons[,] and Houlihan Lokey, before then restructuring the transaction so as to expedite its completion, and improve the terms for our shareholders, we were delighted to close the transaction to combine the companies before year end. This has considerably strengthened our balance sheet at December 31, 2022, resulting in gross assets of \$1.7 billion, of which more than \$0.5 billion is cash on hand. In addition, by closing the acquisition in 2022, we were able to engage one of the world's leading accounting and audit firms, Deloitte, to audit the combined December 31, 2022, balance sheet and financial statements. It also gave us the opportunity to engage Grant Thornton to undertake an audit and Sarbanes-Oxley review of the group's internal controls and procedures.

I am also delighted with the progress we made with integrating Tingo Mobile into the group during Q4 2022, and in accelerating the expansion of the various businesses. As announced previously, since November 2022 we have signed trade partnerships that are expected to triple Tingo Mobile's customers by the end of 2023, in addition to expanding our operations into three new countries, launching two new businesses, namely Tingo DMCC and TingoPay, and acquired the highly profitable Tingo Foods business. These significant developments, and their impact in terms of closing the end-to-end seed-to-sale ecosystem, puts us into a very strong position for 2023 and beyond.

The financial results for Tingo Mobile, and the pro forma consolidated financial information for the group, speak for themselves. Highlights in the pro forma income statement include the 200% growth in gross profit in 2022 to \$675 million, and a move from a Net Income Before Tax loss of \$47 million in 2021 to a Net Income Before Tax surplus of more than \$550 million in 2022. Additionally, we have experienced material growth during the first quarter of 2023, and we expect such growth to continue and accelerate throughout the remainder of the year and beyond.

Having successfully integrated Tingo Mobile into the group and completed an audit with a world leading accounting firm, we look forward to finally addressing the significant disconnect in our share price and attract a valuation that is reflective of our consolidated earnings. With more than \$500 million of cash on our balance sheet, and the launch of the largest food processing plant in Africa set to take place next year, we have an increasing number of options available to us to overcome the share price disconnect. As we continue to evaluate and consider all the options, together with our overall strategy for maximizing shareholder value, we will keep the market apprised and I hope to provide a further update in the coming weeks.

84. In the same press release, follows regarding the Company's benefits and synergies,

Mmobuosi is quoted as stating, in relevant part:

We are already seeing the benefits of the synergies in the group, and of being part of a Nasdaq listed company, and our shareholders will have noted the considerable progress we have made since the fourth quarter of 2022, with the acceleration of our growth plans and globalization and dollarization strategies.

We are particularly excited about the completion of the virtuous circle of our agri-fintech eco-system, where we can now deliver on, and profit from, every part of the journey from seed-to-sale. We are also very excited about our diversification, both geographically, including within my home continent of Africa, as well as into other parts of the world and into other sectors, for example, through our B2C and B2B TingoPay business and partnership with Visa.

As we deliver on our success for the Company and its shareholders, it is of the highest importance to me and the Board of Tingo Group that we equally deliver on our mission and our Environment Social and Governance (“ESG”) goals, as we continue to strive to meaningfully improve global food security and financial inclusion, and also to deliver social and financial upliftment to our customers and, very importantly to me, help make Africa food sustainable.

With the major steps we have taken in recent months to capitalize on our merger and the Company’s Nasdaq listing, we are confident we can build significantly on the revenue and earnings growth we achieved in 2022 and deliver considerable value to our shareholders.

85. Under the header *2022 Financial Review*, the March 31, 2023 PR stated:

- Net revenues for the year ended December 31, 2022, were \$146.0 million, compared to \$55.7 million in the prior year, an increase of 162%. The increase is mainly attributable to the consolidation of Tingo Mobile from December 1, 2022.
- Gross profit for the full year 2022 was \$64.8 million, or 44% of revenues, compared to \$9.2 million, or 16% of revenues, in the prior year. The increase is mainly attributable to the consolidation of Tingo Mobile for the month of December, as well as to the growth in the margins of the Company’s insurance agency business.
- Selling & marketing expenses for the year ended December 31, 2022, were \$11.1 million as compared to \$6.8 million for the year ended December 31, 2021. The increase was due to the consolidation of such costs from Tingo Mobile for the month of December, and an increase in marketing expenses for the Company’s insurance businesses, which is offset in part by a decrease in marketing expenses for the stock trading businesses.
- General and administrative expenses were \$58.2 million in the full year 2022, compared to \$36.5 million in the full year 2021, which is mainly attributed to the consolidation of such costs from Tingo Mobile for the month of December.

General and administrative expenses for the year included \$9.6 million of non-recurring transaction expenses and share based payments totaling \$6.6 million, representing a decrease in share-based payments of \$4.7 million compared to the previous year.

- Operating loss for the for the year ended December 31, 2022, was \$11.8 million versus a loss of \$37.9 million for the prior year. The decrease in loss from operations is mainly attributable to the consolidation of the profitable operations of Tingo Mobile for the month of December.
- Net loss for the year ended December 31, 2022, was \$47.1 million compared to \$36.4 million for the year ended December 31, 2021, mainly as a result of an increase in tax expenses relating to the acquisition and consolidation of Tingo Mobile.
- As of December 31, 2022, the Company's cash and cash equivalents on a consolidated basis was [sic] approximately \$500.3 million, compared to \$96.6 million at December 31, 2021. This reflects an increase of \$403.7 million in cash and cash equivalents, which is attributable to the consolidation of Tingo Mobile's cash balance into the Company.

86. Also on March 31, 2023, the Company held an earnings call discussing its full year 2022 financial results ("March 31, 2023 EC"). During that call, Mmobuosi stated: "In November and December, we signed trade agreements with two major partners with the aim of quickly expanding Tingo Mobile's customer base from 9.3 million to an expected 30 million by the end of 2023."

87. Finally, on March 31, 2023, the Company filed with the SEC its full-year 2022 report on Form 10K signed by Benton, Brown, Chen, Denos, Mercer, Scott, and Trippier ("10K22"). Therein, the Company largely reiterated what it had published in the March 31, 2023 PR:

A key element of the growth plans for Tingo Foods is the development of its own food processing facility. To this end, through a joint venture, Tingo Foods has committed to build and operate a state-of-the-art \$1.6 billion food processing facility in the Delta State of Nigeria, which is expected to be completed by the end of the first half of 2024. Tingo Foods estimates that its part of the build and fit-out costs will amount to approximately \$500 million, which it expects to fund out of a combination of retained earnings and debt finance. The new facility is expected to multiply the size of Tingo Food's processing capacity and revenues, allowing it to

expand its current product range of rice, pasta, noodles, and other staple foods into new product areas such as tea, coffee, cereals, chocolate, biscuits, cooking oils, non-dairy milks, carbonated drinks, and mineral water, while also materially expanding its capacity for the offtake of produce from its farmers and increasing its supply into [Tingo Group Holdings, LLC]’s commodity trading platform and export business. In line with its Environmental, Social[,] and Governance (“ESG”) commitments, Tingo Foods has entered into a partnership with a third party company in the UK, Evttec Energy [], who have committed to fund and build a \$150 million net zero carbon emission solar plant, to provide a sustainable and low-cost energy source to power its multi-billion dollar food processing facility. Through this first-of-its-kind facility in Nigeria, Tingo Foods aims to reduce Africa’s reliance on the import of finished food and beverage products and to increase exports of made-in-Africa produce, which in turn is expected to reduce the prices of finished products and significantly reduce shipping miles and carbon emissions.

88. The 10K22 also stated the following with respect to the Company’s comprehensive portfolio of innovative products and globalization strategy:

[Tingo Group Holdings, LLC, hereinafter “TGH”] (and together with its subsidiaries, the “TGH Group”) is a Delaware limited liability company and a wholly-owned subsidiary of the Company. TGH is the leading Agri-Fintech company operating in Africa, with a comprehensive portfolio of innovative products, including a ‘device as a service’ smartphone and pre-loaded platform product. As part of its globalization strategy, TGH and its wholly owned subsidiary, Tingo Mobile [], have recently begun to expand internationally and entered into trade partnerships that are contracted to increase the number of subscribed farmers from 9.3 million in 2022 to more than 32 million, providing them with access to services including, among others, the Nwassa ‘seed-to-sale’ marketplace platform, insurance, micro-finance, and mobile phone and data top-up. Tingo Group’s other Tingo business verticals include: TingoPay, a SuperApp in partnership with Visa that offers a wide range of B2C and B2B services including payment services, an e-wallet, foreign exchange and merchant services; Tingo Foods, a food processing business that processes raw foods into finished products such as rice, pasta[,] and noodles; and Tingo DMCC, a commodity trading platform and agricultural commodities export business based out of the [DMCC].

89. The 10K22 further touted Tingo’s purported business model and accomplishments.

In relevant part, the 10K22 stated as follows:

Tingo Mobile’s Nwassa platform is believed to be Africa’s leading digital agriculture ecosystem that empowers rural farmers and agri-businesses by using proprietary technology that enables users to access markets in which they operate. Using Tingo Mobile’s ecosystem, farmers can ship produce from farms throughout Nigeria, in both retail and wholesale quantities. Tingo Mobile’s system provides real-time pricing, straight from the farms, which eliminates middlemen. The

customers of Nwassa users pay for produce bought using available pricing on the platform.

Although TGH has a large retail subscriber base, its business model is essentially a business-to-business-to-consumer (“B2B2C”) model. Each of TGH’s current subscribers is a member of one of a small number of cooperatives with whom a subsidiary of TGH has a contractual relationship, which facilitates the distribution of Tingo-branded smartphones into the various rural communities of user farmers/agri-workers. Through TGH’s smartphones and proprietary applications imbedded in the phones, TGH is able to provide a wider array of agri-fintech services and generate diverse revenue streams as described in more detail herein.

Services offered to TGH’s retail subscribers include smart phone leasing, an agri-marketplace, airtime top ups, utility payment services, bill-pay and e-wallet, insurance products[,] and access to finance and lending services. The TGH Group offers its services to the agricultural market through the Nwassa platform and has recently launched a general B2C and B2B fintech platform and super-app, in partnership with Visa, branded as TingoPay.

On October 19, 2022, Tingo Mobile, signed an agreement with the [AFAN], the umbrella body of the 56 recognized commodities and agricultural associations in Nigeria. Under the terms of the agreement, AFAN committed to add a minimum of 20 million additional subscribers to Tingo Mobile’s customer base. These new subscribers are expected to be comprised principally of owners of small and medium-sized agricultural enterprises throughout the country.

On November 10, 2022, Tingo Mobile opened a new regional head office in Ghana and launched operations there. In conjunction with the launch, Tingo Mobile also announced an agreement with the Ashanti Investment Trust, the investment arm of the Ashanti Kingdom, to enroll a minimum of 2 million new members in Ghana with Tingo Mobile within 120 days of signing and has agreed on a target to increase such enrollments to at least 4 million members.

On December 14, 2022, Tingo Mobile launched in Malawi as a strategic base from which to expand into East Africa and target neighboring countries such as Tanzania, Zambia, and Mozambique.

In addition to its agri-fintech business, on December 12, 2022, TGH launched [Tingo DMCC] from the [DMCC] to facilitate offtake and export of agricultural commodities from both its existing customer base and new customers. Through the strong relationships between Tingo Mobile and the cooperatives and other parties it deals with in Nigeria and Ghana, TGH has secured access to significant quantities of agricultural produce for export, including wheat, millet, cassava, ginger, cashew nuts, cocoa[,] and cotton.

On February 9, 2023, TGH acquired the entire share capital of Tingo Foods, which commenced food processing operations in September 2022, generating more than

\$400 million of revenue in its first four months of trading. Through Tingo Foods, the TGH Group expects to enhance its ability to integrate agricultural producers into the ‘seed to sale’ value chain and digital ecosystem.

A key element of the growth plans for Tingo Foods is the development of its own food processing facility. To this end, through a joint venture, Tingo Foods has committed to build and operate a state-of-the-art \$1.6 billion food processing facility in the Delta State of Nigeria, which is expected to be completed by the end of the first half of 2024. Tingo Foods estimates that its part of the build and fit-out costs will amount to approximately \$500 million, which it expects to fund out of a combination of retained earnings and debt finance. The new facility is expected to multiply the size of Tingo Food’s processing capacity and revenues, allowing it to expand its current product range of rice, pasta, noodles, and other staple foods into new product areas such as tea, coffee, cereals, chocolate, biscuits, cooking oils, non-dairy milks, carbonated drinks, and mineral water, while also materially expanding its capacity for the offtake of produce from its farmers and increasing its supply into TGH’s commodity trading platform and export business. In line with its Environmental, Social[,] and Governance (“ESG”) commitments, Tingo Foods has entered into a partnership with a third party company in the UK, Evtec Energy [], who have committed to fund and build a \$150 million net zero carbon emission solar plant, to provide a sustainable and low-cost energy source to power its multi-billion dollar food processing facility. Through this first-of-its-kind facility in Nigeria, Tingo Foods aims to reduce Africa’s reliance on the import of finished food and beverage products and to increase exports of made-in-Africa produce, which in turn is expected to reduce the prices of finished products and significantly reduce shipping miles and carbon emissions.

As part of the TGH Group’s strategy to leverage its fintech platforms, infrastructure and the Tingo brand, it recently launched the TingoPay Super App in partnership with Visa. TingoPay broadens TGH’s reach outside of the agricultural sector, targeting retail customers of any age (18+) and demographic. TingoPay customers can apply for a Tingo Visa card and then access it via the TingoPay Super App, so as to make online transactions in their domestic or foreign currencies, as well as to manage their cards, set up repeat payments[,] and access transaction statements. The Tingo Visa card’s interface with the TingoPay super app and e-wallet also allows customers to use their digital money easily and securely for both online and physical payments anywhere Visa is accepted. Additionally, TingoPay’s users can benefit from a broad selection of value-added services, including the ability to pay utilities and bills, top-up airtime and data, make funds and forex transfers, apply for loans, arrange pensions, purchase insurance products, make travel bookings[,] and access the Nwassa agricultural produce marketplace. TingoPay and the Tingo Visa partnership are also expected to deliver significant benefits to businesses, in particular farmers and other Small and Medium Enterprises (SMEs) across all sectors. The integration of Visa’s range of merchant services with TingoPay’s commerce portal and the Nwassa marketplace, enables businesses to accept payments easily and securely in any currency from both retail and business

customers, and use the TingoPay e-wallet to immediately fund purchases of inputs and make other payments.

* * *

The TGH Group currently has trading operations in Nigeria, Ghana[,] and Malawi in connection with Tingo Mobile, TingoPay and Tingo Foods, and Dubai in connection with the commodity trading platform and export business. In addition, TGH Group has administrative offices in the United States and the United Kingdom, which handle certain of the management and finance activities of the Company.

90. The 10K22 also stated that “[a]pproximately 98% of TGH’s customers are active users of the Nwassa platform, and the platform processes approximately \$1 billion USD in gross transaction value (GTV) on a monthly basis” and that TGH had “invested in a cell-on-wheels platform to boost network and wireless coverage in regions with low wireless coverage in an effort to ensure its customers have consistent access to TGH services and Nwassa whenever such is required.”

91. Regarding the Company’s mobile phone procurement contracts, the 10K22 stated in pertinent part:

In March 2020, Tingo Mobile entered into a mobile phone procurement contract with UGC Technologies Company Limited, with located in Shenze Town, China. In January 2022, Tingo Mobile entered into an agreement with Bullitt Mobile Limited, based in Reading, England, who are a supplier of branded cellular telephone products and accessories. We made the decision to diversify Tingo Mobile’s supplier base given the many challenges experienced by companies with globally distributed supply chains through the Covid-19 pandemic.

UGC Technologies Company Limited and Bullitt Mobile Limited are the TGH Group’s sole suppliers of mobile phones at present. The procurement contract with UGC Technologies Company Limited allows TGH to raise purchase orders in line with its customer demand and provides capacity to meet demand from wholesale customers. In addition, TGH is exploring opportunities to establish relationships with other production partners.

92. The 10K22 further stated:

- *Outright Sales of Mobile Phones.* In 2020, Tingo Mobile sold 3.1 million handsets to a distributor based in Kenya, and in Q4 2021 Tingo Mobile sold an

additional 2.9 million handsets to a non-agricultural cooperative in Nigeria. In Q3 2022, Tingo Mobile sold an additional 87,508 mobile devices in a bulk sale. TGH will likely seek to pursue similar sales opportunities in the future.

- *Mobile Voice and Data Service.* Through a Mobile Virtual Network agreement with Airtel, Tingo Mobile provides its customers in Nigeria with voice and data services. Each month its customers receive 2,500 airtime minutes, 10 free SMS text messages outside the Tingo network, 100 free SMS messages within the Tingo network[,], and 500 MB data for a monthly access fee of circa \$3.00 USD (using 414 USD/NGN exchange rate) per month. This fee is shared with Airtel, of which TGH's share (16%) equates to USD \$0.48 per user per month.

The April 26, 2023 Press Release

93. In an April 26, 2023 press release ("April 26, 2023 PR"), the Company announced that Tingo Mobile had "sign[ed] an [e]xclusive [a]greement with [the] Prime Commodity Exchange (PCX) and [AFAN], [s]ecuring [c]onsiderable [p]roduce [s]upply, [n]ationwide [w]arehousing [f]acilities, and [e]nhanced [c]ommodity [t]rading [o]pportunities." The April 26, 2023 PR further stated that, "[u]nder the terms of the agreement, Tingo Mobile, in partnership with PCX and AFAN, has been granted a 30-year lease over AFAN's existing network of warehouses, which currently number 2,322, and cover all 774 local government areas in Nigeria." The parties to that agreement, including the Company, agreed to "a target to increase the number of warehouses in their network to 80,000 over the next two years."

The April 27, 2023 Press Release

94. On April 27, 2023, the Company issued a press release ("April 27, 2023 PR") announcing that it had filed an audited full-year 2022 financial statement and pro forma information of recently acquired Tingo Foods. Specifically, the April 27, 2023 PR announced: "Tingo Foods [c]ommenced [o]perations in September 2022, and in the [f]our [m]onths ended December 31, 2022 [g]enerated [r]evenues of \$466.2 [m]illion"; "[g]ross [p]rofit for the [f]our-[m]onth [p]eriod [a]mounted to \$196.4 [m]illion, [e]quating to a [g]ross [m]argin of 42.1%"; and

“[c]ash at [b]ank at December 31, 2022 [a]mounted to \$54.8 [m]illion, and inventories of \$201.1 million.”

95. In the same press release, the Company restated that Tingo Foods was “to build and operate a state-of-the-art \$1.6 billion food processing facility” and that “[t]he opening of the new facility, which is scheduled for mid-2024, will considerably increase Tingo Food’s ability to offtake agricultural produce from Tingo Mobile’s farmers, which numbered 11.4 million at December 31, 2022, and, as a result, significantly grow Tingo’s group revenues.”

96. Mercer is quoted in the April 27, 2023 PR as stating the following regarding the Company’s consolidated revenues for its Tingo Mobile segment and the improvement of Tingo Food’s cash generating capabilities:

The recently announced pro forma consolidated financial information of Tingo and Tingo Mobile [], which reflected pro forma consolidated revenues of \$1.152 billion and gross profit of \$675 million, combined with today’s Deloitte audited results of Tingo Foods [] for the four months to December 31, 2022 demonstrates both the financial strength of the Company and its impressive rate of growth.

Furthermore, Tingo Food’s recent developments, as disclosed in the subsequent event note to Tingo Foods’ financial statements Subsequent Event note, including its move to a just-in-time stock system and a significant streamlining of sales costs, are expected to materially improve Tingo Food’s cash generating capabilities and build on its \$50 million cash at bank as of December 31, 2022.

The May 1, 2023 8-K & Presentation

97. On May 1, 2023, Tingo filed a Form 8-K with the SEC, including the slide deck the Company presented during the Taglich Brothers Investment Conference held on the same day (the “Presentation”). The Presentation stated that the Company was “scheduled to open [in] mid-2024” a “[n]ew state-of-the-art \$1.6 billion food processing facility set up to multiply capacity and revenue.” The Presentation also included an image of the planned facility (which was also used on a billboard at the groundbreaking of the facility on February 9, 2023):



May 1, 2023 Proxy

98. On May 1, 2023, Tingo filed a Schedule 14A with the SEC (“2023 Proxy”). Benton, Brown, Mercer, Scott, and Trippier solicited the 2023 Proxy, which was filed pursuant to Section 14(a) of the Exchange Act. The 2023 Proxy contained material misstatements and omissions.

99. The 2023 Proxy asked Tingo stockholders to, among other things, (1) approve and adopt an amendment to the [the Company’s] Amended and Restated Certificate of Incorporation, to increase the number of authorized shares of the Company’s common stock, par value \$0.001 per share (“Common Stock”), from 425,000,000 to 750,000,000, (the “Charter Amendment Proposal”); and (2) approve the issuance of shares of Common Stock, upon conversion of the Company’s Series A Preferred Stock, par value \$0.001 per share (the “Conversion Proposal”).

100. In relevant part, the 2023 Proxy stated as follows regarding the Charter Amendment Proposal:

Tingo [] is seeking to approve and adopt the amendment to the [the Company’s] Amended and Restated Certificate of Incorporation to increase the number of authorized shares of Common Stock from 425,000,000 to 750,000,000 shares. The form of the proposed amendment to the Tingo [] Amended and Restated Certificate of Incorporation is attached as Annex C to this proxy statement. The additional authorized shares will provide Tingo [] with a sufficient number of authorized shares to complete the conversion and have additional authorized shares for future strategic business decisions as determined by the [Company’s] Board of Directors.

We currently do not have enough authorized shares available to permit the conversion of the Series A Preferred Stock. We also do not have enough authorized

shares available to enable the issuance of additional securities for future acquisitions and financings. Accordingly, we will file the amendment to increase the authorized number of shares of our Common Stock from 425,000,000 shares to 750,000,000 shares, which represents an increase of 125,000,000 shares for the conversion of the Series A Preferred Stock and an additional 200,000,000[]shares for future acquisitions and financings.

101. Additionally, the 2023 Proxy stated the following about its purported key mobile phone supplier:

In March 2020, Tingo Mobile entered into a mobile phone procurement contract with UGC Technologies Company Limited, with located in Shenzhen City, China. In January 2022, Tingo Mobile entered into an agreement with Bullitt Mobile Limited, based in Reading, England, who are a supplier of branded cellular telephone products and accessories. Tingo Mobile made the decision to diversify its supplier base given the many challenges experienced by companies with globally distributed supply chains through the Covid-19 pandemic.

102. The 2023 Proxy was materially misleading because it failed to disclose that Tingo's business, operations, and practices were fraudulent and in complete disregard of the federal securities laws. The 2023 Proxy failed to disclose that the Company was acting in violation of the Code of Conduct and that the Board and its committees were not effectively nor adequately exercising their oversight responsibilities and were causing or permitting Tingo to issue false and misleading statements.

The May 15, 2023 8-K, Press Release, & 10-Q

103. On May 15, 2023, the Company reported its first quarter 2023 financial results. In a press release issued on that date ("May 15, 2023 PR"), which it attached to an 8-K it filed with the SEC, the Company revealed net revenues of "\$851.2 [m]illion, an increase of 8,801% Compared to Q1 2022" and an increase in operating profits of \$260.7 million, which added \$577 million in revenues.

104. Under the heading *Financial Results*, the May 15, 2023 PR stated:

- Tingo Group cash and cash equivalents balance at March 31, 2023, amounted to \$780.2 million, an increase of \$279.9 million in the quarter, compared to \$500.3 million at December 31, 2022.
- Net revenues of Tingo Group for the first quarter 2023 were \$851.2 million, compared to \$9.6 million for the first quarter 2022, up 8,801%.
- Gross profit of Tingo Group for the first quarter 2023 was \$386.9 million, compared to gross profit of \$1.3 million for the first quarter 2022.
- Operating profit of Tingo Group for the first quarter 2023 was \$260.7 million, compared to a loss of \$10.0 million for the first quarter 2022.
- EBITDA of Tingo Group for the first quarter 2023 was \$372.2 million, compared to a[n] EBITDA Loss of \$8.9 million for the first quarter 2022.
- EBITDA per share attributable to Tingo Group for the first quarter 2023 was \$2.31 based on the weighted average shares outstanding at March 31, 2023, and \$0.71 per share on a fully diluted basis.
- Profit after tax per share attributable to Tingo Group for the first quarter 2023 was \$1.10 based on the weighted average shares outstanding at March 31, 2023, and \$0.33 per share on a fully diluted basis.
- On April 27, 2023, Tingo Group reported the Deloitte audited financial results of Tingo Foods for the approximate four-month period from its inception in September 2022 to December 31, 2022.
- Net revenues of Tingo Foods itself for the period from the date of acquisition by the Company on February 9, 2023, until March 31, 2023 (approximately two months), were \$577.2 million, as compared to \$466.2 million for the approximate four-month period from its inception in September 2022 to December 31, 2022.
- Tingo Foods operating profit for the approximate two-month period from its date of acquisition until March 31, 2023, was \$143.4 million, as compared to \$50.7 million for the approximate four-month period from its inception in September 2022 to December 31, 2022
- Tingo Mobile increased the number of customers on its Nwassa Agri Fintech platform to 12 million at March 31, 2023, from 11.4 million at December 31, 2022.

105. Under the title *Operational Milestones*, the May 15, 2023 PR stated:

- Acquired 100% ownership of Tingo Foods [] on February 9, 2023, further strengthening the Tingo Group agri ecosystem. Tingo Foods purchases

agricultural produce from the farmer customers of Tingo Mobile and processes the produce into finished food products, which can then either be sold domestically, or supplied to Tingo DMCC for export.

- Tingo Foods, together with its joint venture construction partner on the new state-of-the-art \$1.6 billion food processing facility, celebrated the breaking of ground with a foundation laying ceremony attended by various representatives of local government and Nigeria's Ministry of Agriculture. Since then, significant progress has been made on the construction of the facility including the installation of infrastructure, drainage, water supply[,] and the foundations of its numerous buildings. With construction work progressing as scheduled, the new food processing facility, to be operated exclusively by Tingo Foods, is on timetable and anticipated to open by mid-2024.
- Tingo Foods entered into a partnership with Evtex Energy [], which has committed to build a \$150 million net zero carbon emission solar plant to provide a sustainable and low-cost energy source to power Tingo Foods' \$1.6 billion food processing facility.
- Tingo Mobile signed an exclusive agreement with Prime Commodity Exchange (PCX) and All Farmers Association of Nigeria (AFAN), securing considerable additional supply of produce for Tingo Foods and Tingo DMCC, as well as nationwide warehousing facilities and enhanced commodity trading opportunities.
- Soft launched a beta version of the TingoPay Super App and a digital Tingo Visa card, supported by a pan-African partnership with Visa, which once fully tested and rolled out will offer retail customers a range of payments services, an e-wallet, and a variety of value-added services. TingoPay, with Visa, will also offer a full range of merchant services to businesses, including to Tingo Mobile's farmers.
- Achieved an advanced stage on the aggregation of significant bulk volumes of agricultural produce from Tingo Mobile's farmers to facilitate Tingo DMCC's imminent completion of its first export transaction.
- Announced a corporate name change to Tingo Group, Inc., accompanied by a change of ticker symbol from "MCT" changing to "TIO".
- Engaged legal counsel and a team of expert advisors in February 2023 to investigate market manipulation and unlawful naked short selling of stock and take appropriate action.
- Commenced plans to address considerable disconnect between share price and financial performance, including the possible implementation of a range of measures such as a regular dividend program, a special dividend[,] and a share buyback plan.

106. In the same press release, with respect to the Company's acquisition of Tingo Mobile, Tingo Foods, and the "Tingo eco-system," Mercer is quoted stating:

As mentioned previously, the completion of our acquisition of 100% of Tingo Mobile on November 30, 2022, was a prodigious and transformative event for us, making us immediately profitable. We then went on to achieve another major milestone when we acquired 100% of Tingo Foods on February 9, 2023, which further strengthened our seed-to-sale eco-system and significantly increased our dominance in the agri fintech marketplace.

With the completion of the Tingo Foods acquisition, and the consummation of the subsequent PCX and AFAN partnership, I am delighted to say that the first quarter of 2023 has exceeded all our expectations, not only in terms of financial performance, as evidenced by today's announced results, but also strategically and operationally.

The Tingo eco-system is already reaping significant benefits from the addition of Tingo Foods, not only as Tingo Foods constitutes a considerable source of crop-offtake for Tingo Mobile's farmers, but because of its ability to process crops that don't meet retail grade and would otherwise be wasted. These factors, together with the material difference Tingo Mobile makes towards improving farmer's crop yields, enable our farmers to benefit from an increase in income and financial upliftment. At the same time Nigeria, at a national level, gains access to substantial quantities of domestically produced food that would historically have been imported at far higher prices. On the supply side, we are developing Tingo Foods on an immense scale with the aim of enabling it to satisfy a large part of the domestic food demand of Nigeria's more than 200 million population, as well as the considerable capacity of our Tingo DMCC export and commodity trading business, and the multi-billion-dollar market that it serves.

Our recently announced partnership deal with PCX and AFAN is expected to further strengthen our eco-system, adding substantial value to three of our most important business segments, Tingo Mobile, Tingo Foods[,] and Tingo DMCC. Through the partnership's nationwide network of warehouses, which is targeted to grow to 80,000 sites over the next two years, we have the opportunity to reduce the post-harvest losses of Tingo Mobile's farmers by giving them access, for the first time, to world-class goods handling and storage facilities, while also delivering a more efficient supply of produce to Tingo Foods and Tingo DMCC. In addition, our right of first refusal over the produce in the partnership's warehouses is expected to provide vast quantities of supply, supporting the rapid growth of our export activities, as well as meeting the input needs of Tingo Foods, including for its new processing facility.

Having exceeded our own expectations in the first quarter of 2023 and started the second quarter strongly, and again ahead of expectations, we are very excited for the future. It is important to note that our outlook and optimism are underpinned

by the unique and dominant position we have achieved through our ecosystem, which locks in significant increases in food supply, and our unrivalled warehousing and logistics infrastructure. This gives me and the Board great confidence that we will deliver against our upwardly revised growth projections for 2023 and beyond.

As previously mentioned, the Board have been concerned for some time about the disconnect between our share price and our true value. While the share price has improved somewhat, our results, together with recent developments and continued pace of growth, strongly indicate there is still some considerable way to go. Moreover, with the levels of free cash flow being generated, together with the imminent commencement of our pipeline of exports, the Board and I believe the Company's strong balance sheet and dollarization, should soon enable us to finalize our plans for addressing the disconnect.

107. Likewise, Mmobuosi is quoted touting Tingo's "tremendous progress" and Tingo Foods' impressive growth after its integration to the Company. In relevant part, Mmobuosi stated:

I am exceptionally pleased with the tremendous progress we achieved during the first quarter of 2023, and with the strong start we have made to the second quarter. I am also delighted with the plans and initiatives we have in the pipeline including, in particular, the completion of our first of many export orders.

Bringing Tingo Foods into the Tingo Group was a further major milestone in our expansion; I have long had the vision for Tingo Foods to be the largest and most advanced food processing business on the African continent and, hopefully one day, in the world. As can be seen from today's results, Tingo Foods is already growing at an impressive rate, which we expect to build on through the addition of several new food and beverage products planned for launch in the second half of this year. There will though undoubtedly be a major step-change in the business's expansion when our state-of-the-art food processing facility comes online in 2024 and I am pleased to say that construction is progressing well and on schedule.

I believe that the further strengthening of our relationship with AFAN, through our new tri-partite agreement with AFAN and PCX, is another major milestone, not only as I believe it will deliver substantial additional revenues and profits to several of the businesses within our group, but I also believe it will materially increase food production levels, for example, through reductions in post-harvest losses and improvements in supply chain efficiencies. At the same time[,] I also believe the partnership will help us deliver against many aspects of our mission statements and ESG commitments, including in terms of improving food security, reducing food poverty and delivering financial upliftment.

With the expected considerable impact of the commencement of our export pipeline together with the new AFAN and PCX partnership, the further development of Tingo Foods, and the forthcoming launches of our Nwassa and TingoPay Apps with

Visa, I am very excited and optimistic about our prospects for the near-term and long-term future.

108. Under the heading *First Quarter 2023 Financial Review*, the May 15, 2023 PR stated:

- Net revenues for the three months ended March 31, 2023, were \$851.2 million, compared to \$9.6 million in the prior year quarter, an increase of 8,801%. The increase is mainly attributable to the addition of the Tingo Mobile and Tingo Foods acquisitions, which completed on December 1, 2022 and February 9, 2023, respectively.
- Gross profit for the first quarter 2023 was \$386.9 million, or 45% of revenues, compared to \$1.3 million, or 13% of revenues, in the prior year. The increase is mainly attributable to the addition of the Tingo Mobile acquisition.
- Selling & marketing expenses for the three months ended March 31, 2023, were \$85.1 million as compared to \$2.5 million for the three months ended March 31, 2022. The increase was due to an increase in marketing expenses for the Company's insurance businesses and the inclusion of sales and marketing expenses for Tingo Foods and Tingo Mobile, which was offset in part by a decrease in marketing expenses for the stock trading businesses.
- General and administrative expenses were \$29.6 million in the first quarter 2023, compared to \$7.3 million in the first quarter 2022, which is mainly attributed to the addition of such costs from Tingo Mobile and Tingo Foods, and share based payments totaling \$6.7 million.
- Operating profit for the for the three months ended March 31, 2023, was \$260.7 million versus an operating loss of \$10.0 million for the prior year. The increase in profit from operations is mainly attributed to the acquisitions of Tingo Mobile and Tingo Foods, as explained above.
- Net income for the three months ended March 31, 2023, was \$176.7 million compared to a net loss of \$8.7 million for the three months ended March 31, 2022, which is primarily as a result of the acquisitions of Tingo Mobile and Tingo Foods.
- Consolidated EBITDA for the three months ended March 31, 2023, was \$372.2 million compared to Consolidated EBITDA Loss of \$8.9 million for the three months ended March 31, 2022.
- As of March 31, 2023, the Company's cash and cash equivalents on a consolidated basis was approximately \$780.2 million, compared to \$500.3 million at December 31, 2022. This reflects an increase of \$279.8 million in

cash and cash equivalents, which is attributable to the acquisition of Tingo Mobile and Tingo Foods.

109. Also on May 15, 2023, the Company filed its first fiscal quarter 2023 results in Form 10-Q with the SEC, signed by Mercer and Chen (“1Q23”). The 1Q23 stated that “Tingo Foods has also agreed to enter into a partnership with Evtec Energy []to build and operate our own food processing facility, which is expected to be completed by mid-2024.”

110. The 1Q23 also represented the Company’s “total cash and cash equivalents balance was \$780,153,000” which reflected an increase “relat[ed] to the cash generated from the operations of Tingo Mobile and the acquisition of Tingo Foods.” The Company further stated that “the majority of the cash is held at its bank in Nigeria, and there are certain foreign exchange restrictions in place that limit the conversion of such cash not US Dollars and other currencies.”

111. The 1Q23 also stated that “[n]et revenues related to the [f]ood [p]rocessing segment for the three months ended March 31, 2023 were \$577,219,000” and the “gain from operations related to the [f]ood [p]rocessing segment for [that same period] was \$143,445,000”—a gain purportedly “attributable to the Tingo Foods acquisition.”

The May 30, 2023 Press Release

112. On May 30, 2023, the Company issued a press release (“May 30, 2023 PR”) titled “Tingo DMCC Commences Delivery of Significant Pipeline of Export Orders, Completing First \$348 Million of Sales.” The May 30, 2023 PR also stated that this “first batch of export deals” generated “gross profit approaching \$100 million” and announced “[m]ore than \$1 billion of [a]dditional [o]rders in [p]rogress and [e]xpected to [c]omplete by Q3 2023.”

113. The Company also announced in the May 30, 2023 PR that “Tingo DMCC is now expected to dollarize the entire amount of Tingo Group’s net income on a monthly basis before the end of 2023,” and that “[s]uch dollarization, combined with Tingo’s considerable profits

(\$262.5 million of Net Income Before Tax for the first quarter of 2023) and cash generation (\$780.2 million cash balance at March 31, 2023), is a major step towards achieving the Company's goal of introducing a quarterly dividend in the second half of the year."

114. Throughout the Relevant Period, the Individual Defendants made materially false and/or misleading statements and failed to disclose materially adverse facts about the Company's business, operations, and prospects. Specifically, the statements contained in each of the press releases identified above³ and contained in the 2022 and 2023 Proxys, the March 31, 2023 earnings call, and the SEC filings identified above⁴ were all false and misleading because they failed to disclose to investors that, *inter alia*: (i) Mmobuosi lied about his background, education, and achievements – including falsely claiming he received a PhD and falsely claiming he developed Nigeria's first mobile payment app; (ii) the Individual Defendants fabricated and inflated the Company's current financials, including claiming that it generated \$128 million in revenue for its handset leasing, call and data segments and that it had generated \$125.3 million in revenue from Nwassa; (iii) the Individual Defendants fabricated and inflated the Company's projected financials, including leading investors to believe that its agricultural export business was on track to deliver \$1.34 billion in exports by the Company's third quarter 2023; (iv) the Individual Defendants used photoshop to advertise nonexistent successes, including passing pictures from a different point of sale system operator's website off as the Company's own by photoshopping its own logo over those pictures and Mmobuosi urging customers on social media to fly with an airline

³ These include the October 20, 2022 PR; the November 10, 2022 PR; the November 16, 2022 PR; the November 29, 2022 PR; the December 1, 2022 PR; the February 22, 2023 PR; the February 24, 2023 PR; the March 31, 2023 PR; the April 26, 2023 PR; the April 27, 2023 PR; the May 15, 2023 PR; and the May 30, 2023 PR.

⁴ The December 6, 2022 8-K; the March 31, 2023 10-K; the May 1, 2023 8-K and Presentation; the 1Q23.

business he claimed to have launched – even though he later admitted to never owning any aircraft and even though the pictures he represented as pictures of Tingo Airlines actually had Tingo’s logo photoshopped onto pictures of airplanes it did not own; (v) the Individual Defendants publicized sham expansion projects, including misleading investors into believing that Tingo was breaking ground on a \$1.6 billion food processing plant and that it was making “significant progress” on the facility’s construction even though the purported progress in reality consisted of six cinderblocks and a plaque; (vi) the Individual Defendants inflated both Tingo’s food division margins, which it purportedly achieved by processing food through a mystery processing partner, and its food inventory; (vii) Tingo did not have relationships with the two farming cooperatives the Individual Defendants claimed it had; (viii) Tingo lacked effective controls over accounting and financial reporting; and (ix) as a result, the Individual Defendants’ positive statements about the Company’s business, operations, and prospects were materially false, misleading, and lacked a reasonable basis.

THE TRUTH IS REVEALED

115. On June 6, 2023, Hindenburg published a report titled *Tingo Group: Fake Farmers, Phones, and Financials—The Nigerian Empire that Isn’t*. The Hindenburg Report I⁵ concluded that Tingo was “an exceptionally obvious scam”, summarizing as follows:

- We’ve identified major red flags with Dozy’s background. For starters, he appears to have fabricated his biographical claim to have developed the first mobile payment app in Nigeria. We contacted the app’s actual creator, who called Dozy’s claims “a pure lie”.
- Dozy claimed to have received a PhD in rural advancement from a Malaysian university in 2007. We contacted the school to verify the degree. They wrote back saying no one by his name was found in their verification system.

⁵ Unless noted otherwise, emphasis, punctuation, and capitalization in the Hindenburg Report are in the original and internal citations and hyperlinks are omitted.

- In 2017, Dozy was arrested and faced an 8-count indictment over issuance of bad checks, according to the Nigerian Economic and Financial Crimes Commission. He later settled the case in arbitration.
- In 2019, Dozy claimed to have launched “Tingo Airlines” and posted social media messages encouraging customers to “fly with Tingo Airlines today”. Media outlets later uncovered that Tingo had photoshopped its logo onto pictures of airplanes. Dozy later admitted to never owning any actual aircraft.
- In April 2023, Tingo’s Co-Chairman wrote a public letter to Dozy, filed with the SEC, saying he could not approve the company’s annual report and felt it “necessary to recuse myself by resigning” due to “many critical questions, comments[,] and recommendations” that went “unanswered and unheeded”.
- Tingo’s food division is 7 months old, yet claimed to generate \$577.2 million in revenue last quarter alone, representing 68% of total reported revenue. If accurate, its claimed 24.8% operating margins would exceed those of every major comparable food company.
- Yet, Tingo has no food processing facility of its own. Rather, it claims its explosive revenue and profitability is derived from acting as a middleman between Nigerian farmers and an unnamed third-party food processor.
- In February 2023, the company held a groundbreaking ceremony for a planned \$1.6 billion Nigerian food processing facility of its own, attended by the country’s agriculture minister and other political luminaries.
- We found that the rendering of the planned facility, featured in Tingo’s investor materials and on a billboard at the ceremony, is actually a rendering of an oil refinery from a stock photo website.
- Following its groundbreaking, Tingo reported in a May 2023 SEC filing that it made “significant progress” on the facility, including laying “the foundations of its numerous buildings”.
- We visited the site a week later and found zero signs of progress; it was empty except for the plaque and billboard commemorating the groundbreaking ceremony, surrounded by weeds.
- Subsequent to the “groundbreaking”, Tingo announced a \$150 million agreement with a UK entity called Evtec Energy to build solar panels for its non-existent food processing facility. Funding for the deal is slated to be provided through Evtec [Energy], but UK filings show that Evtec [Energy] was “Dormant” as of its most recent annual report and held zero cash in the bank.

- [The Company] bought Tingo Foods from Dozy in February 2023 for \$204 million, a price “approximately equal to the cost value of the inventory held by Tingo Foods”.
- The inventory, which was reported in year-end financials, completely vanished from Tingo’s Q1 2023 accounts without explanation. In our experience, \$204 million in inventory doesn’t just disappear at companies with internal controls and genuine financial reporting.
- Tingo claimed in its reverse merger press release that members of 2 unnamed farming cooperatives supply the majority of its then-9.3 million userbase, consisting of local Nigerian farmers. These farmers supposedly form the core of the company’s phone customers and provide the agricultural products used in Tingo’s food processing and trading businesses.
- A local media outlet identified and contacted the cooperatives. Both said they had never heard of Tingo and had fewer than 100 farmers in each cooperative.
- We were able to make contact with one of the cooperatives. Its owner reiterated having no relationship with Tingo and flat out told us “they are scammers”.
- Tingo claimed its mobile handset leasing, call[,], and data segments generated \$128 million in revenue last quarter (~15% of total), claiming these services are provided through an agreement with Airtel in Nigeria. The type of license they claim did not exist until June, 2023.
- Our checks with the Nigerian Communications Commission [“NCC”] showed it has no record of Tingo being a mobile licensee at all, despite company claims of having 12 million mobile customers.
- Despite claiming to have millions of farmers using its phones, Tingo Mobile’s corporate presentation and webpage uses stock photos of farmers using phones.
- We visited Tingo Mobile’s office in Nigeria and found only a handful of employees and a sign posted on its door by federal tax authorities stating that the company is delinquent on its tax obligations.
- Tingo Mobile claimed a Ghana expansion effort would enroll 2-4 million members by February 2023. This would represent ~9%-18% market share in the country within months of launch. We found zero records pertaining to Tingo Mobile through Ghana’s communication regulator.
- We tried to contact Tingo’s Ghana support in late May to buy a phone. The email bounced back and no one picked up the phone despite numerous attempts.

- We visited Tingo’s Ghana office location in late May 2023. We saw 2 cars in the parking lot and no customers. When we tried to enroll in a plan and buy a phone we were told the location wasn’t operational yet.
- TingoPay (part of Tingo Mobile) claimed in 2021 to have launched a partnership with a major local bank.
- Two days after Tingo’s blockbuster announcement, the bank put out a statement calling Tingo’s claim false and that it had “NOT concluded any agreement with Tingo International in respect of any payment system whatsoever”.
- Tingo now claims its payment group has a point of sale (PoS) system and other merchant products. We found that pictures of Tingo’s claimed PoS system were taken from a different PoS operator’s website, with a Tingo logo photoshopped over them.
- Tingo claims its “seed to sale” online marketplace called NWASSA generated \$125.3 million in revenue last quarter or ~15% of its total revenue, yet the website has been “under maintenance” and inoperable for months.
- Tingo claims it has launched its NWASSA platform in Ghana. The Ghana website also doesn’t work and just says “Updating...” without ever going anywhere.
- In a May 2023 press release, Tingo claimed its brand-new agricultural export business, Tingo DMCC, was on track to deliver over U.S. \$1.34 billion in exports by Q3.
- Tingo’s sales projections for that business are higher than the entire nation of Nigeria’s annual 2022 agricultural exports, which totaled about U.S. \$1.15 billion, per government data.
- Despite Tingo’s bold claims, we found no import/export records from Tingo at all through searches of Nigerian customs and trading databases.
- Tingo DMCC’s website has numerous non-functioning links and includes a fake testimonial that appears leftover from the website template.
- Tingo’s financial statements are riddled with errors and typos, including a note to itself that it apparently forgot to delete, saying “please update for the tingle (sic) transaction including the tingle (sic) foods transaction”.
- Its financials include other basic errors like incorrect math and leaving zeroes off key metrics.

- More troublingly, Tingo’s cash flow and balance sheet statements do not reconcile and show major errors indicating a complete lack of financial controls. Its cash flow statements regularly subtract items from cash that should be added and vice versa.
- The errors also seem to apply to Tingo’s audited annual financial statements, which were recently given an unqualified audit opinion by Deloitte Israel (a strange choice given the company lacks substantive operations in Israel).
- We strongly suspect Tingo’s cash balance, which it conveniently claims is held in Nigeria, is fake. The company collected only ~12% of the interest income one would expect from its claimed cash balances.
- Overall, we think Tingo is a worthless and brazen fraud that should serve as a humiliating embarrassment for all involved. We do not expect the company will be long for this world.

116. The first part of the Hindenburg Report I—“Red Flags In Dozy’s Background”—noted inconsistencies in Mmbousi’s background, stating in relevant part:

Tingo Group Holdings CEO “Dozy” Mmobuosi Appears To Have Fabricated His Biographical Claim To Have Developed The First Mobile Payment App In Nigeria

We Contacted The Actual Creator Of The App Who Called Dozy’s Claim “A Pure Lie”

Despite his claims to be a successful billionaire entrepreneur, we found numerous red flags related to Dozy.

In a May 2020 interview, Dozy told a detailed origin story of what would later serve as a key biographical claim; how, in 2002, he developed the first mobile payment platform in Nigeria. Per the story, he partnered with a bank on the venture after he couldn’t find an easy way to send money to his brother.

At the end of the interview, Dozy claimed he could not mention the product or the bank due to confidentiality reasons:

“Understandably, I can’t mention the product or the bank in question for the sake of confidentiality.”

The lack of disclosure of the mere name of a company built and sold over 15 years ago runs contrary to the norm for essentially every other successful startup founder’s story.

Regardless, his reticence to disclose the name of the app seems to have gone away. The Tingo website now claims Dozy helped launch Nigeria’s first SMS banking solution called “Flashmecash”. Per the website:

“In 2002 he (Dozy) led the design and launch of Nigeria’s first SMS Banking Solution (Flashmecash), later sold to FMCB who still use it today.”

We reached out to Flashmecash’s actual creator, Deji Oguntonade, whom we verified as the inventor via check of Flashmecash’s patent, along with web searches. He informed us that Dozy’s claims were “totally false” and shared a WhatsApp post he wrote to Nigeria’s top fintechs and regulators making clear that Dozy’s claims were a “pure lie”.

The post provided a detailed background on the app, which Oguntonade reiterated had no connection to Dozy.

* * *

Dozy Claimed To Have Received a PhD In Rural Advancement From Malaysian University UPM In 2007

We Contacted UPM To Verify The Degree. They Wrote Back Saying No One By His Name Was Found In Their Verification System

In his Tingo biography, Dozy claimed to have received a PhD in Rural Advancement from Malaysian university UPM in 2007. We contacted the school to confirm this credential. An administrator in the graduate studies department confirmed that the database has records from 2007 and earlier, but that Dozy’s name, including several variations we tried were “not found for verification”.

In 2017, Dozy Was Arrested And Faced An 8-Count Indictment Over Issuance Of Bad Checks, According To The Nigerian Economic And Financial Crimes Commission

In 2017, Dozy was arrested in Nigeria and faced 8 charges including conspiracy, obtaining by false pretense and issuance of approximately U.S. \$70,000 in bad checks, according to the Nigerian Economic and Financial Crimes Commission. The case was later settled in arbitration, according to local media and company filings.

* * *

In 2019, Dozy Claimed To Launch “Tingo Airlines” And Posted Social Media Messages Encouraging Customers To “Fly With Tingo Airlines Today”

Media Outlets Uncovered That Tingo Had Photoshopped Its Logo On Pictures Of Airplanes. Dozy Later Admitted To Never Owning Any Actual Aircraft

In August 2019, Dozy launched Tingo Airlines, which declared share capital of £1 billion, according to UK company records.

Per reporting by The Athletic, November 2020 Facebook messages urged customers to “fly with Tingo Airlines today”.

The company also had an Instagram page where it posted photoshopped pictures of planes with a Tingo logo on them. **The page was removed after observers noticed that the planes had too many windows and were missing a door**, owing to a poor photoshop job.



Dozy later confessed in a CNN interview to never owning the planes, blaming the failed launch of the airline on Covid.

* * *

In April 2023, Tingo’s Co-Chairman Wrote A Public Letter To Dozy, Filed With The SEC, Saying He Could Not Approve The Company’s Annual Report And Felt It “Necessary To Recuse Myself By Resigning” Due To “Many Critical Questions, Comments[,] And Recommendations” That Went “Unanswered And Unheeded”

In September 2021, Christophe Charlier was named co-Chairman of Tingo Inc. . . .

However, less than 2 years later, in April 2023, Charlier resigned suddenly, stating in a letter addressed to Dozy and filed with the SEC:

“I have made numerous efforts to implement best corporate governance practices...Despite my efforts...many critical questions, comments[,] and recommendations which I have sent to management and the Board have once again remained unanswered and unheeded. As a result, I will not be in a position to approve the 10K for 2022 prepared by management and feel it necessary to

recuse myself by resigning from the Board.” (emphasis and ellipses in original).

117. The second part of the Hindenburg Report I addressed the red flags associated with Tingo Foods:

When reviewing Tingo’s claimed business segments and operations, we begin to understand why Charlier may have made his decision.

Tingo’s Food Division Claimed To Generate \$577.2 Million In Revenue And \$143.5 Million In Operating Income Last Quarter Alone, Representing ~68% Of Reported Revenue And 24.8% Operating Margins

The vast majority of Tingo’s claimed revenue is derived from Tingo Foods, an entity that was formed in August 2022. The [C]ompany claims, within the exact same filing, that it “commenced food processing operations” in August 2022 and September 2022.

Tingo acquired the 7-month-old entity from Dozy in February 2023 via a \$204 million, 2-year, 5% promissory note.

Despite the entity existing for less than a year, Tingo’s quarterly report said Tingo Foods generated a whopping \$577.2 million in just 2 months (February and March), putting it on pace for \$3.4 billion in annual revenue and \$861 million in annual operating income.

Tingo Claims Its Explosive Revenue Growth And Industry Leading Margins Are Generated By Acting As A Middleman Between Farmers And An Unnamed Third Party That Manages Its Food Processing

Tingo doesn’t have a processing facility of its own. Rather, the [C]ompany claims that it has outsourced its processing to an unnamed third party. Despite simply acting as a middleman, Tingo claims its operating margins, a key measure of profitability, are higher than every major food company on earth at 24.8%.

* * *

We checked Tingo Foods’ website to learn more about its unparalleled profitability and its outsourced partner. It provided virtually no information. The website’s “products” section consisted of only 4 stock photos of food items with no details on its services.

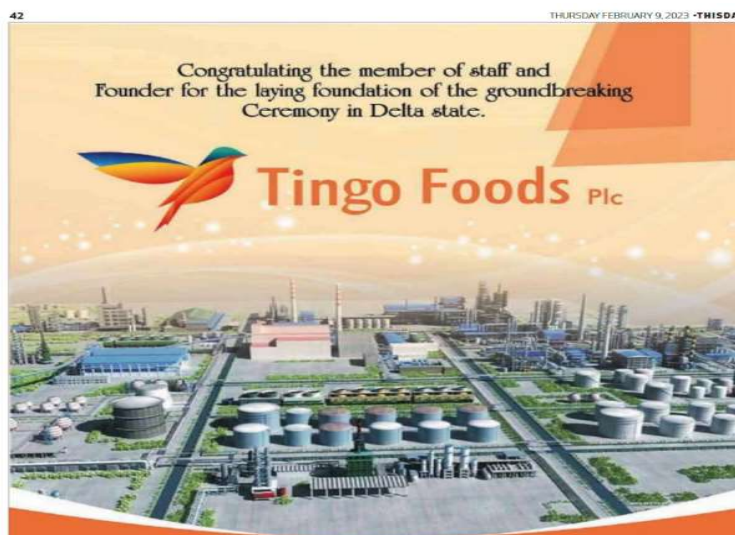
* * *

In February 2023, Tingo Held A Groundbreaking Ceremony For Construction Of A \$1.6 Billion Food Processing Facility

The Rendering Of The Planned Facility, Featured In Tingo's Investor Materials And On A Billboard At The Groundbreaking Ceremony Is A Picture Of An Oil Refinery From A Stock Photo Website

Tingo seems unsatisfied with its industry-leading operating margins earned by working with its mystery processing partner. In early 2023, the [C]ompany announced plans to construct a \$1.6 billion food processing facility in Nigeria, with completion scheduled for mid-2024.

Company presentations and other advertisements showed a rendering of the planned facility, as seen below from local media:



The same picture appeared in Tingo's investor presentation and was featured on a billboard at the groundbreaking of the facility, held on February 9th, 2023.

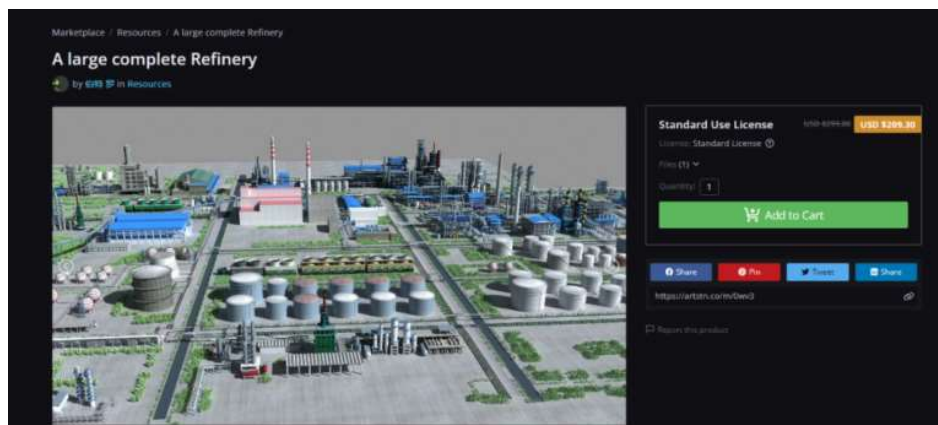


* * *

An internet search reveals that the rendering of Tingo's planned facility in its investor materials and its groundbreaking billboard matches a picture from stockphoto website ArtStation. Metadata from the stockphoto page indicates that

the picture has been for sale since 2018, 5 years prior to Tingo's use of the photo. The site licenses the picture for \$209.

Furthermore, the picture is titled "A large completed Refinery". Tingo apparently chose a stock photo of an oil refinery to represent its food processing facility.



Following Its Groundbreaking, Tingo Reported In A May 2023 SEC Filing That It Made "Significant Progress" On The Facility Including Laying "The Foundations of Its Numerous Buildings."

We Visited The Site A Week Later And Found Zero Signs Of Progress, Including No Foundations.

The Site Was Empty, But For The Plaque And Cinderblocks Commemorating The Groundbreaking Ceremony, The Billboard With The Stock Oil Refinery Photo, A Rail Container And Overgrown Weeds

In its Q1 2023 results filing, reported May 15th, Tingo said that since its groundbreaking, it has made significant progress:

"Since then [the groundbreaking ceremony], significant progress has been made on the construction of the facility including the installation of infrastructure, drainage, water supply[,] and the foundations of its numerous buildings."

Intrigued at how the [C]ompany could so rapidly move from buying a stock photo of an oil refinery to laying "foundations of its numerous buildings", we decided to pay the site a visit on May 24th, 2023.

We found several cinderblocks that were in place as part of the ceremony, but not one single additional brick or additional site prep, despite the [C]ompany's claims and supposedly being only 18-24 months away from targeted completion.



* * *

Tingo Announced A \$150 Million Agreement With A UK Entity Called Evtec Energy To Build Solar Panels For Its Non-Existent Food Processing Facility

UK Filings Show That Evtec [Energy] Was “Dormant” As Of Its Most Recent Annual Report, And Held Zero Cash In The Bank

On February 22, 2023, as part of its food processing facility project, Tingo announced an agreement with UK-based Evtec Energy []. Together, the two planned to build a \$150 million solar plant near Tingo’s food-processing facility using Evtec [Energy]’s “advanced energy-tech”, with Evtec [Energy] footing the bill.

Evtec Energy’s UK filings show that the entity was dormant as of its most recent 2022 annual report, and held exactly zero cash in the bank at the time:

1 Company details		→ Filling in the DCA Please complete in typescript or in bold black capitals. All fields are mandatory unless specified or indicated by *
Company number	1 2 5 3 0 8 4 2	
Company name in full	EVTEC ENERGY PLC	
2 Date of balance sheet		
Date of balance sheet	3 1 0 3 2 0 2 2	
3 Accounts		
	Current Year	Previous Year
Called up share capital not paid	£ 50,000	£ 50,000
Cash at bank and in hand	£ -	£ -
Net assets	£ 50,000	£ 50,000
Issued share capital		
Number of shares	Class of shares	
5,000,000	ORDINARY	of £ 0.01 each
		Shareholders' fund
	50,000	50,000
	£ 50,000	£ 50,000

Evtec [Energy]'s name was in fact only recently changed to Evtec [Energy]; it was called "UK Investment Securities Plc" until September 2022.

Given the above, it is difficult for us to believe Tingo's claims that any funding would be provided through Evtec [Energy], or that it had any "advanced energy-tech"—rather it appears it was a dormant shell company now being used to prop up Tingo's claims.

At risk of pummeling readers with the obvious, from our site visit on May 24, 2023, we found no evidence of any development at all, solar or otherwise.



All told, we strongly suspect Tingo's claimed food processing business is completely fraudulent.

The Company Bought Tingo Foods From Dozy In February 2023 For \$204 Million, A Price “Approximately Equal To The Cost Value Of The Inventory Held By Tingo Foods”

The Inventory, Which Was Reported In Year-End Financials, Completely Vanished From Tingo’s Q1 2023 Accounts Without Explanation

As noted above, Tingo acquired Tingo [F]oods on February 9, 2023. The purchase price was based on the cost of Tingo Foods’ claimed inventory at the time, per a later Tingo proxy statement filed with the SEC:

*“As consideration for the Acquisition, [the Company] agreed to pay [Mmobuosi] a purchase price **approximately equal to the cost value of the inventory held by Tingo Foods**, to be satisfied by the issuance of a secured promissory note (“Promissory Note”) in the amount of US\$204,000,000.”*

These inventories correspond closely to Tingo Foods’ audited financial statements, which show it had about \$201.1 million in inventory as of year-end 2022.

However, the Q1 2023 10-Q – in which Tingo Foods is consolidated – has zero mentions of inventory. Not a single line for inventory on the balance sheet, nor changes in inventory on the statement of cash flows, nor any other mention at all.

There is no attempted explanation in the filing for how \$204 million in inventory that had been acquired less than 2 months earlier had vanished entirely.

We suspect no inventory ever existed because Tingo Foods *as a whole* seems to not exist. As we explore later, Tingo’s financial statements are rife with other major red flags indicating that they are likely completely fabricated.

118. Part three of the Hindenburg Report I stated as follows regarding Tingo Mobile:

Tingo Claimed Its Mobile Handset Leasing, Call[,] And Data Segments Generated \$128 Million In Revenue Last Quarter (~15% Of Total)

Core to Tingo’s claims is that it has a massive userbase consisting of rural farmers that use its mobile products. These users serve as the backbone of the entire company as Tingo claims to offer the farmers other services like food processing and food exports.

According to SEC filings, Tingo Mobile was launched by Dozy in 2001, the earliest division of the company. Archived versions of Tingo’s website claimed that it rapidly expanded upon launch, having completed the “design and distribution of 8 million phones for Nigerian farmers” by March 2014.

Tingo apparently managed to achieve this feat without the benefit of a website. The Tingo Mobile website was created in October 2015, according to DNS records.

WHOIS search results

Domain Name: tingomobile.com.ng
Registry Domain ID: 326731-NIRA
Registry WHOIS Server: whois.nic.net.ng
Registrar URL: https://www.smartweb.com.ng
Updated Date: 2022-10-11T06:40:28.792Z
Creation Date: 2015-10-06T08:07:13.559Z

According to its current website, Tingo claims to have sold 30 million mobile devices since inception. Its most recent investor presentation says the company has 12 million active mobile customers.

Tingo Claimed In Its Reverse Merger Press Release That 2 Unnamed Farming Cooperatives Supplied The Majority Of Its Then-9.3 Million Userbase, Consisting Of Local Farmers

A Local Media Outlet Identified And Contacted The Cooperatives. Both Said They Had Never Heard of Tingo And Had Fewer Than 100 Farmers In Each Cooperative

We Were Able To Make Contact With One Of The Cooperatives. Its Owner Said It Has No Relationship With Tingo And Flat Out Told Us “They Are Scammers.”

Tingo said in an October 2022 press release that its userbase is largely derived through contractual relationships with “two large farmers’ cooperatives” which “facilitates the distribution of Tingo branded smartphones into various rural communities of member farmers”.

Its recent 10-Q similarly reiterated its reliance on farming cooperatives for “each of our current subscribers”.

Given that Tingo’s farmer userbase is key to its entire business and the 2 cooperatives are key to its userbase, these are critical relationships.

While the farmer’s cooperatives went unnamed in the company’s press release, an earlier article from local media outlet Weetracker (paywalled) was able to identify them.

In March 2022, Weetracker interviewed a Tingo spokesperson along with local experts to understand the company’s userbase claims, which totaled 12 million at the time. One local expert in Nigerian agriculture told the outlet:

“I’ve been in this field for more than 20 years and I have built agric distribution chains from all the key farming geographies in the country for some of the biggest companies. Trust me, if any platform has as little as 1,000 farmers, I would know. Let alone 12 million farmers? No single private platform has up to 500,000 farmers in Nigeria at the moment[.]”

Tingo’s chief of staff, Rory Bowen, responded by claiming that the farmers might simply not *know* they are using Tingo, because it works with farmer cooperatives and not with the farmers directly.

“We don’t deal with farmers directly, that may be why they don’t know the brand. We have relationships with two main cooperatives: Kebbi Multi-Purpose Cooperative Society and Ailoje Royal Farms Multi-Purpose Cooperative Society. They help us reach 4-5 million farmers each.”

It is relatively unfathomable that millions of farmers using “Tingo-branded smartphones”, per the company’s annual report, would be unaware of Tingo. Putting that absurdity aside for the moment, Weetracker reached out to both cooperatives and found that neither had heard of Tingo. Per the same article:

“WeeTracker reached out to the leaders of both cooperatives and, strangely, they claimed they had never heard of Tingo, nor did they have millions of farmers under their organization with each of them volunteering that they have much less than 100 farmers.”

The leader of one of the cooperatives said:

“It is simply not true, I don’t know anything about this company and I’ve been running this cooperative for years.”

We reached out to one of the cooperatives named in the piece, the Ailoje Royal Farms Multi-Purpose Cooperative Society. Its owner told us that Tingo are “scammers”.



Our Checks With The Nigerian Communications Commission Show That It Has No Record Of Tingo Being A Mobile Licensee At All, Despite Company Claims To Have 12 Million Mobile Customers

Adding more fuel to our skepticism, Tingo's 30+ million claimed mobile sales come despite the [NCC] having no record of Tingo as a licensee at all:

NCC About The Commission **Licensing & Regulation** Technical Regulation Statistics & Reports Media Centre Contact The NCC

Saturday June 03, 2023

Licensing & Regulation > Licensing & Authorization > List of Licensees

WhatsApp Facebook LinkedIn Telegram

List of Licensees

The companies listed below are those that have paid their licence fees in full, and have collected their licence documents for the respective telecommunications undertaking before the era of reclassification of Licences into Class and Individual Licences.

The underlisted documents below contain the list of licensees under their individual service licence categories.

Last Update: May 25, 2023

Class Licenses

List of Class Category Licensees

Select License Category and Press "Enter"

...

CSV Excel PDF Print

Show 25 entries

Search: tingo

COMPANY NAME	ADDRESS	LICENCE NUMBER
Stingotech Network Limited Sales & Installations	47B, Church Street, Makoko, Yaba, Lagos State.	CL/5&I/716/21

Showing 1 to 1 of 1 entries (filtered from 7,860 total entries)

First Previous 1 Next Last

Individual Licenses

List of Individual Category Licensees

Select License Category and Press "Enter"

...

CSV Excel PDF Print

Show 25 entries

Search: tingo

COMPANY NAME	COMPANY ADDRESS	START DATE	EXPIRY DATE
Showing 0 to 0 of 0 entries (filtered from 1,109 total entries)			

First Previous Next Last

Beyond licensing, the NCC also requires operators to have their individual pricing plans approved. Tingo appears nowhere on these official lists either.

***Update Post-Publication*: Tingo Claims That It Offers Its Mobile Services Through A Mobile Virtual Network (“MNVO”) Agreement With Nigerian Telecom Operator Airtel**


Airtel Wrote Denying The Relationship Entirely: “Airtel Nigeria Does Not Have Any MVNO Arrangement With Any Company Called Tingo Mobile.”

For context, Tingo says in its filings that it has an agreement with Airtel to provide voice and data services under a Mobile Virtual Network Operators (“MVNO”) arrangement:

“Through a Mobile Virtual Network agreement with Airtel, Tingo Mobile provides its customers in Nigeria with voice and data services.”

We recently reached out to Airtel and corresponded with its Chief Commercial Officer (CCO) of Nigeria, who said he would check on the existence and nature of

the claimed partnership. Following the initial publication of our report, Airtel's investor relations responded, denying it had a relationship with Tingo Mobile.

 Tue 6/6/2023 9:45 AM
Alastair Jones <[REDACTED]@africa.airtel.com>
RE: Question on Airtel partnership
To: nathan [REDACTED] Oluwafemi Oshinlaja
Cc: Paulina Ebie; Shola Adeyemi; Carl Cruz
i You replied to this message on 6/6/2023 9:49 AM.

Hi Nathan

Apologies for the delay in responding. We can say that Airtel Nigeria does not have any MVNO arrangement with any company called Tingo Mobile.

Regards
Alastair

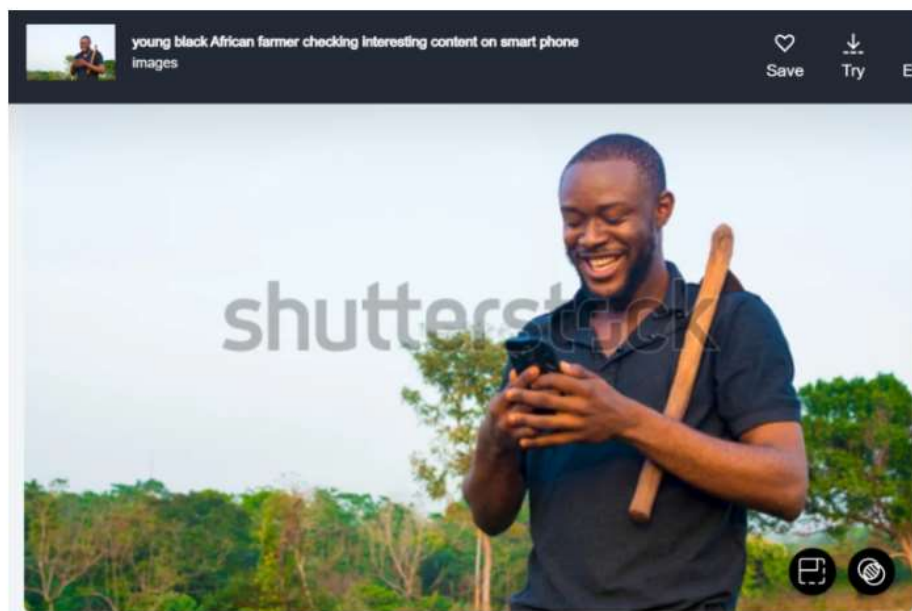
Alastair Jones | Investor Relations, Airtel Africa
Tel: [REDACTED]
Email: [REDACTED]@africa.airtel.com

Tingo Mobile's Corporate Presentation And Webpage Use Stock Photos Of Farmers Using Phones

Despite claiming to have millions of farmers using its mobile devices, Tingo's corporate presentation and webpage use stock photos of farmers with phones. Per a corporate presentation:



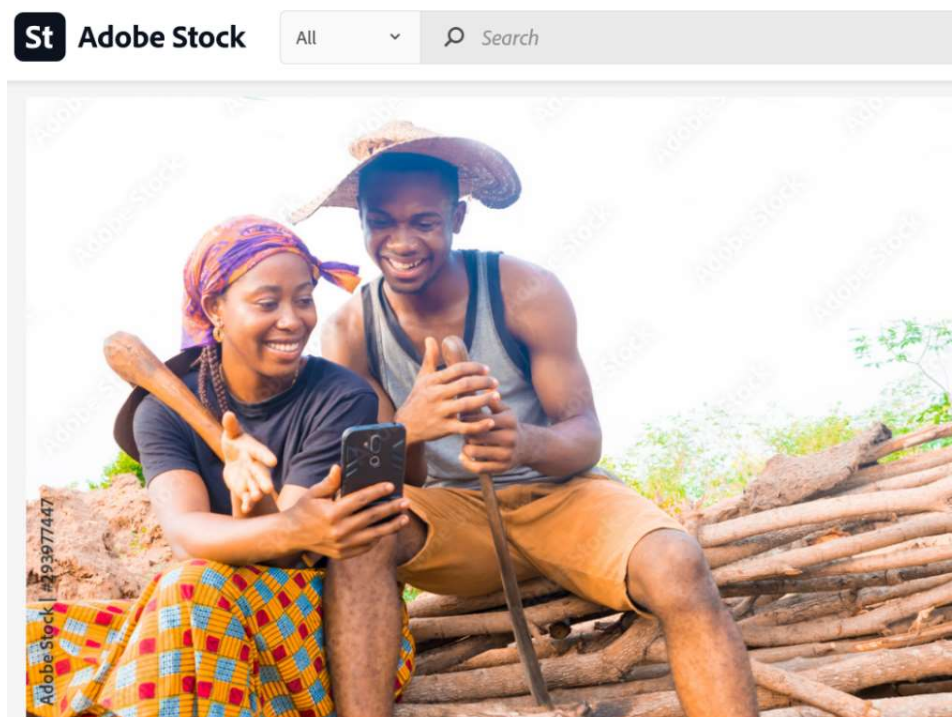
The same picture is available for free on Shutterstock with a description “young black African farmer checking interesting content on smart phone”.



The corporate presentation has another photo of African farmers that are meant to look like they are using Tingo phones:



But once again, the photo can be found on Adobe Stock under the header “excited African couple doing internet banking on their farmland.”



Beyond the apparent extensive use of stock photos for its website, Tingo Mobile shows few other signs of life. Its Facebook page has a mere 733 likes and 926 followers, not what one would expect for a provider that has more than 12 million users.



Similarly, Tingo Mobile’s Twitter page has 227 followers and hasn’t posted anything since October 2016. Its Instagram page has 515 followers.

Tingo Claims It Has Two “Sole Suppliers Of Mobile Phones”, With The Relationships In Place Since 2020 and 2022, Respectively

During This Time Period, Tingo Announced A Massive 2.9 Million Handset Deal, In Addition To Its Sales And Servicing Of 9+ Million Mobile Customers

Despite Millions Of Claimed Unit Sales, Representatives Of Both Suppliers Told Us Neither Has Provided Any Phones to Tingo: “We Do Not Provide Even A Single Unit To Them”

One Supplier Said Tingo Doesn't Even Have A Contract, Despite Claims In Tingo's SEC Filings That It Does

Tingo's 2022 annual report says that "UGC Technologies Company Limited and Bullitt Mobile Limited are TGH Group's sole suppliers of mobile phones at present."

Per the same filing, Tingo says the relationships have been in place since March 2020 and January 2022, respectively.

Beyond its need to sell and service its claimed 9+ million mobile customers, it was during this time period that Tingo announced a major handset deal. Per its annual report:

"...in Q4 2021 Tingo Mobile sold an additional 2.9 million handsets to a non-agricultural cooperative in Nigeria"

We therefore would expect the suppliers to have collectively sold millions of phones to Tingo. However, when we spoke with representatives from each, they told us that **neither of the claimed suppliers had sold a single phone to Tingo.**

Tingo's filings state with respect to UGC:

"In March 2020, Tingo Mobile entered into a mobile phone procurement contract with UGC Technologies Company Limited"

We spoke with UGC's Troy, Michigan-based CEO, Busty Okendaye, who explained that UGC had no contract with Tingo. UGC had *bid* on a contract to provide phones to Tingo about 3 years ago, but after submitting its proposal, it never heard back:

"They did not even reply to us – not even verbally or in writing. We submitted our own bid, but we did not get a response from them."

He also expressly denied that UGC has sold any phones to Tingo, telling us:

"We do not provide not even a single unit to them. We manufacture mobile phones, but we don't produce for them."

Tingo further states in its 2022 annual report that it entered into its second supply agreement in January 2022, this one with UK-based Bullitt Mobile. A representative for Bullitt confirmed that the company had signed a contract to provide phones *in the future* but has not provided any phones to date.

We Visited Tingo Mobile's Office In Nigeria And Found A Sign Posted On Its Door By Federal Tax Authorities Stating That The Company Is Delinquent On Its Tax Obligations

Given the massive red flags, we decided to inspect the [C]ompany's physical locations as reported in its SEC filings. Per Tingo Group's annual report, Tingo Mobile has 2 locations in Nigeria:

1. Allianz Towers, 95 Broad Street Marina Lagos.
2. 93 Dr Kenneth Ojo Crescent Lingo Estate Sahara 4, Lokogoma, FCT, Abuja[.]

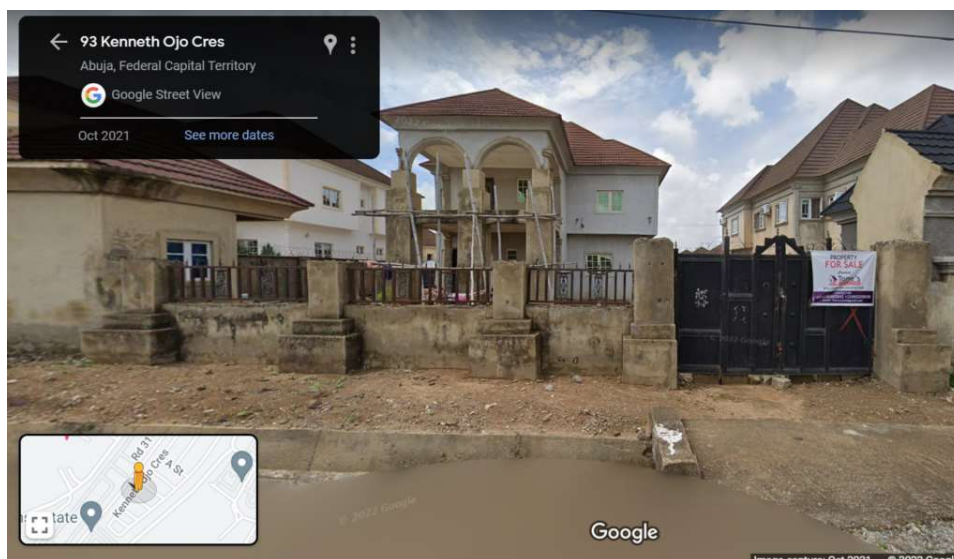
Our investigator visited Allianz Towers during working hours in late May.



There was no visible street-level signage, but our investigator found the Tingo office on the 4th floor of the building. It was lightly staffed with around 6-8 people. The office door had a conspicuous sign placed by the tax authorities highlighting that the company was not compliant with its federal tax obligations.



The second location listed in Tingo's filings tracks to an area that looks residential. The latest Google street view picture of the address is from October 2021, depicting a residential structure in development.



Tingo Mobile Claimed its Ghana Expansion Efforts Would Enroll 2-4 Million Members By February 2023. This Would Represent 9%-18% Market Share In The Country Within Months

We Found Zero Records Pertaining To Tingo Mobile Through Ghana's Communication Regulator

Tingo claims to be copying its Nigeria playbook in Ghana[]– open an office, distribute phones, help farmers:

“On November 10, 2022, Tingo Mobile opened a new regional head office in Ghana and launched operations there. In conjunction with the launch, Tingo Mobile also announced an agreement with the Ashanti Investment Trust, the investment arm of the Ashanti Kingdom, to enroll a minimum of 2 million new members in Ghana with Tingo Mobile within 120 days of signing and has agreed on a target to increase such enrollments to at least 4 million members.”

The Company threw a launch event in November 2022, but it is unclear whether any of the new subscribers ever materialized within the 120 days (i.e., February 2023) as claimed.

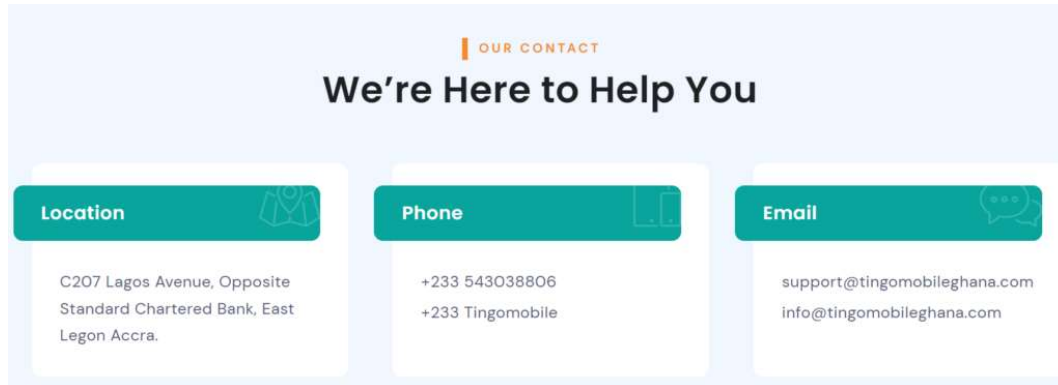
Ghana's Communications regulator – the National Communications Authority (NCA) – has zero records pertaining to Tingo Mobile – zero licenses and zero mentions on the website, just as was the case for Tingo and the [NCC].

The NCA website says the nation at large has 22.76 million mobile data subscriptions as of January 2023. Tingo's claims would suggest that it already took over ~9%-18% of the entire nation's market share despite having no license to do so.

We Tried Contacting Tingo's Ghana Support To Buy A Phone

The Email Bounced Back And No One Picked Up The Phone, Despite Numerous Attempts

We tried contacting Tingo Mobile in Ghana through the phone and email details on its website, to see how it might be growing so rapidly.



The phone number appears to be defunct, as we called at various times without an answer. The email address also appears invalid, as it bounced back when we tried to reach out.



Mail Delivery Subsystem <mailer-daemon@googlemail.com>
to me ▼



Address not found

Your message wasn't delivered to **info@tingomobileghana.com** because the address couldn't be found, or is unable to receive mail.

The response from the remote server was:

550 5.1.1 <info@tingomobileghana.com> User unknown

We Visited Tingo's Ghana Office Location In Late May 2023

We Saw 2 Cars In The Parking Lot And No Customers. When We Tried To Buy A Plan Or A Phone We Were Told The Location Wasn't Operational Yet

As a last-ditch effort to buy a Tingo Mobile Ghana phone, we visited its office location on May 25th, 2023 during working hours. Our investigator reported seeing

only two cars in the parking lot. There were no customers in the store and when they tried to buy a plan or a phone an employee told them the location wasn't operational yet.



TingoPay (Part Of Tingo Mobile) Claimed In 2021 To Have Launched A Partnership With A Major Local Bank

2 Days After Tingo's Blockbuster Announcement, The Bank Issued A Statement Calling Tingo's Claim False And That It Had "NOT Concluded Any Agreement With Tingo International In Respect Of Any Payment System Whatsoever"

Tingo has made other questionable claims relating to its mobile division. On March 31st, 2021, Tingo announced it was expanding its mobile services by launching "Tingo Pay" through a partnership with Stanbic IBTC Bank.

Tingo International Holding Inc. partners Stanbic IBTC to close the financial inclusion gap in Nigeria

Tingo International Holding Inc. is launching its payment system, Tingo Pay, to the Nigerian public.



Inclusion Times / Ifeanyi Macdonald Ugochukwu
31 Mar 2021

Two days after Tingo's announcement, the bank issued a statement declaring Tingo's announcement to be false.



Stanbic IBTC Bank

Disclaimer: Re: Tingo Announces New Payment System

Our attention has been drawn to a number of press publications currently circulating online purported to have been issued by Tingo International Holdings with the above headline.

In the said publication, Tingo was reported to have claimed it would be using Stanbic IBTC Bank's payment gateway to power its new product, Tingo Pay.

Stanbic said that while it had a Memorandum of Understanding (MoU) with Tingo, it clarified:

“(Stanbic) has NOT concluded any agreement with Tingo International in respect of any payment system whatsoever, including ‘Tingo Pay’.”

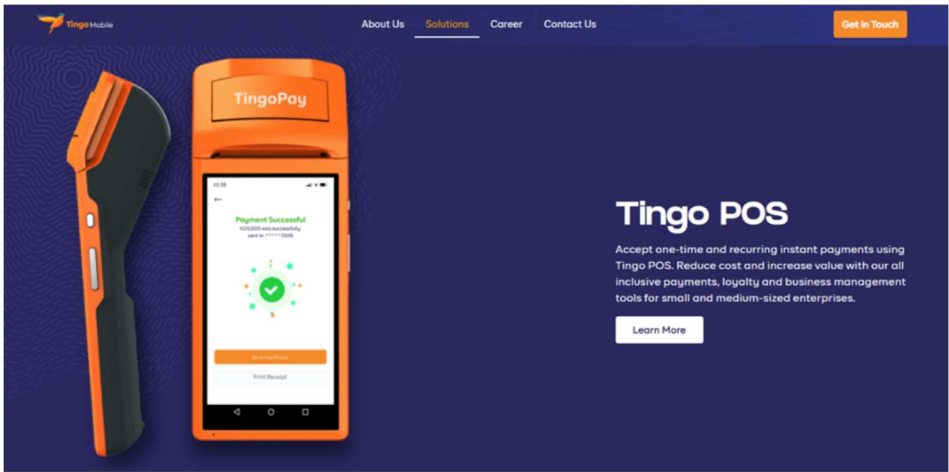
Tingo Now Claims Its Payment Group Has Point Of Sale (PoS) And Other Merchant Products

We Found That Pictures of Tingo's Claimed PoS System Were Taken From A Different PoS Operator's Website, With A Tingo Logo Photoshopped Over Them

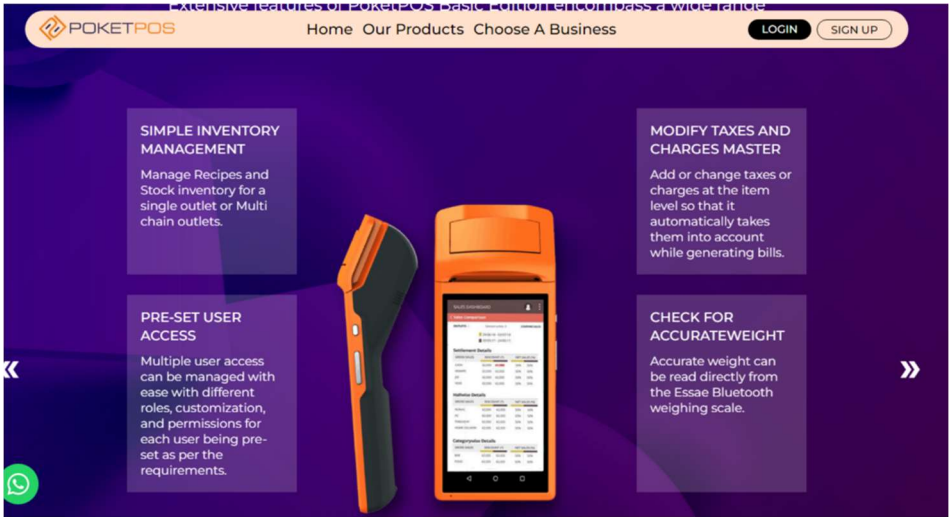
In its latest filings, Tingo claims it relaunched TingoPay as a new “Super App” in 2023 in partnership with Visa. We reached out to Visa to learn more but have yet to hear back on the relationship. We could find no links, or evidence of a new TingoPay app in the GooglePlay or Apple stores.

Per its website, Tingo Mobile now offers a TingoPay POS system, presumably as part of its partnership. The website has 2 pictures of the system.

The first image appears to have been lifted from hardware offered by an Indian payments company called PoketPOS, that launched a PoS device around 3 years ago, before Tingo's claimed offering. Tingo seems to have simply photoshopped its own logo onto the picture of the competitor's product. Here is Tingo's website:



And here is the competitor’s website, showing a picture of identical PoS hardware without the Tingo logo from 3 years prior:



The second TingoPay PoS picture from the company’s website is seen below:



Once again, it appears to be a ripoff of a picture from a Chinese manufacturer with the Tingo logo photoshopped onto the picture of the hardware. The Chinese manufacturer also launched its product around 3 years ago, before Tingo's claimed offering:



119. Part four of the Hindenburg Report I disclosed the following regarding the Company's "NWASSA" Market:

NWASSA: A "Seed to Sale" Online Marketplace That Tingo Claimed Generated \$125.3 Million In Revenue Last Quarter (Or ~15% Of Total)

The Website Has Been "Under Maintenance" And Inoperable For Months

Tingo claims that its NWASSA platform is a groundbreaking innovation that cuts out middlemen by allowing farmers to sell products wholesale or retail directly in their home marketplaces. The [C]ompany calls it "Africa's leading digital agriculture ecosystem".

Last quarter, Tingo reported \$125.3 million in revenue through NWASSA, putting it on track for \$501 million in annual revenue.

The [C]ompany has been inconsistent about when it supposedly launched NWASSA. In an interview with Techpoint in 2019, Dozy said he launched the NWASSA platform in January 2019. In an investor results conference call from March 2023, the story changed, with Dozy claiming it was launched in 2020.

Putting aside the mystery of when the platform was launched, the [C]ompany has declared it to be a huge success. As early as July 2021 it claimed NWASSA platform "processes 500k daily transactions with a value of over \$8 million", implying ~180 million annual transactions.

The [C]ompany has indicated that its explosive NWASSA business was taking place via a "USSD GSM transaction platform" a system of text messaging orders (i.e., "Press 2 to order rice"). We could find no evidence in media, [C]ompany

filings, or the [C]ompany's website that such a system exists aside from Dozy's claims that 15 million transactions per month are processed in this way.

Curiously, DNS records for the NWASSA web domain show it was registered in May 2022, 2-3 years after the claimed launch date of the platform (depending on which launch date you pick).

WHOIS search results

Domain Name: NWASSAMARKET.COM

Registry Domain ID: 2699335226_DOMAIN_COM-VRSN

Registrar WHOIS Server: whois.namecheap.com

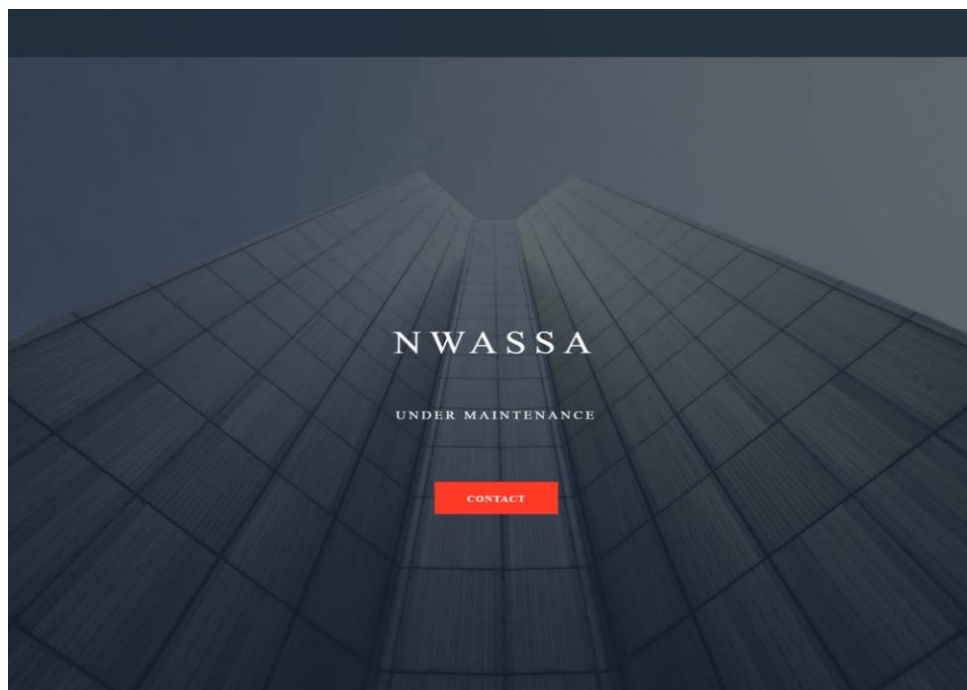
Registrar URL: <http://www.namecheap.com>

Updated Date: 2023-04-27T07:23:52Z

Creation Date: 2022-05-27T09:00:10Z

Given its ample reported revenue, we expected the NWASSA webpage to have detailed information on its text message ordering system, along with a bustling online marketplace.

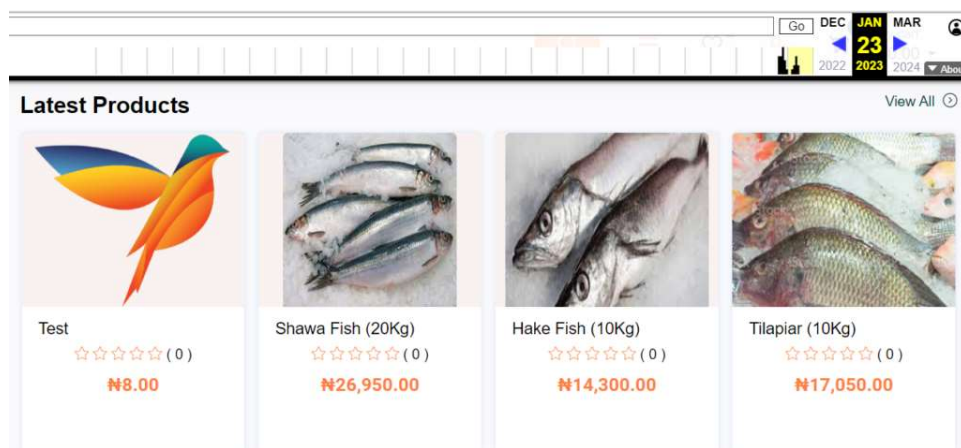
But our recent efforts to access the platform showed only that the website has been "under maintenance" for months, providing no information and no ability to shop.



Historical Captures Of The NWASSA Website Show That It Was Never Fully Completed

The Website Still Included Test Images. None Of The Products Had Reviews Or Ratings

Historical archives of the website from January of this year show that the now “under maintenance” site was never fully developed. It listed its first product as “test”.



None of the products we saw had any reviews or ratings. We saw no information on how to order through any USSD GSM text messaging system either.

Tingo Claims It Launched Its NWASSA Platform In Ghana In November 2022

The Ghana Website Also Doesn't Work, And Just Says "Updating..." Without Ever Going Anywhere

Historical Captures Of The Webpage Show That None Of The Products Had Reviews Or Ratings

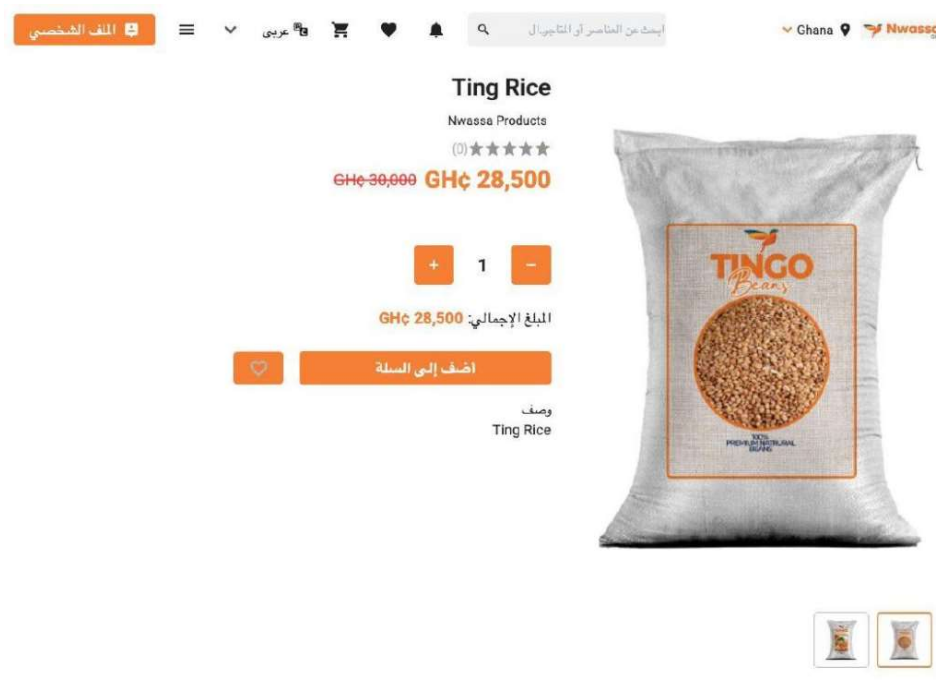
With its claimed success in Nigeria, Tingo decided to take its show on the road, launching its NWASSA market in Ghana around November 2022, saying it would replicate “the same proven business model” from Nigeria.

On some level those efforts have come to fruition as the Ghana website also fails to load, simply saying it is “Updating...” without going anywhere.



Screen captures from earlier versions of the Ghana website show that at various times the company did offer products, again with no reviews and no sign of actual sales.

In one instance, the company offered a bag of “Ting Rice” of unspecified quantity for the equivalent of about U.S. \$2,500. Ghana’s GDP per capita is about U.S. \$2,400. Note that the picture of the rice was that of a bag marked “Tingo Beans”.



Tingo DMCC

120. In part five, the Hindenburg Report I stated the following regarding Tingo DMCC:

In A May 2023 Press Release, Tingo Claimed Its Agricultural Export Business, Tingo DMCC, Was On Track To Deliver Over U.S. \$1.34 Billion In Exports By Q3

Tingo’s Sales Projections Are Higher Than The Entire Nation Of Nigeria’s Annual 2022 Agriculture Exports, Which Totaled About U.S. \$1.15 Billion, Per Government Data

On May 30th, 2023, Tingo announced yet another exciting development and milestone. Per the release, Tingo claimed it had completed \$348 million in export sales through its new subsidiary, Tingo DMCC, a commodity trading platform based out of Dubai.

The same release claimed it expected to complete an additional \$1 billion in orders by Q3, for a total of \$1.34 billion and an annual run rate of \$1.78 billion.

Putting this figure in perspective, the 2022 annual agricultural exports for the entire country of Nigeria totaled about U.S. \$1.15 billion, according to data from the

National Bureau of Statistics (NBS). Tingo therefore claims to be on track to eclipse the amount of the entire country's exports within 9 months.

As a reminder, Tingo does not produce, harvest[,] or process any agricultural goods on its own. The [C]ompany does not claim to own warehouses or trucks used for Tingo DMCC. Instead, it claims to act as a middleman in these transactions—between the Nigerian farmers, farm collectives[,] and unnamed export partners.

Note that Tingo claimed its gross profit on \$348 million in food exports for which it is totally a middleman is “approaching \$100 million”, or about 29%, which, if genuine, would likely place Tingo as the most profitable food export business in the world.

We Found No Import/Export Records From Tingo At All Through Searches Of Nigerian Customs Databases

A search of Nigerian customs data provided through import / export aggregator Tradesparq yielded no results when searched for keywords “Tingo”, “Tingo DMCC”, “Tingo group”, “Tingo Mobile”[,] and “Tingo Foods”.

The Trade[s]parq customs data covered the periods January 2019 to April 2023 for imports, and January 2021 to April 2023 for exports. A search for competitor “Nestle” yielded over 2,000 export entries alone.

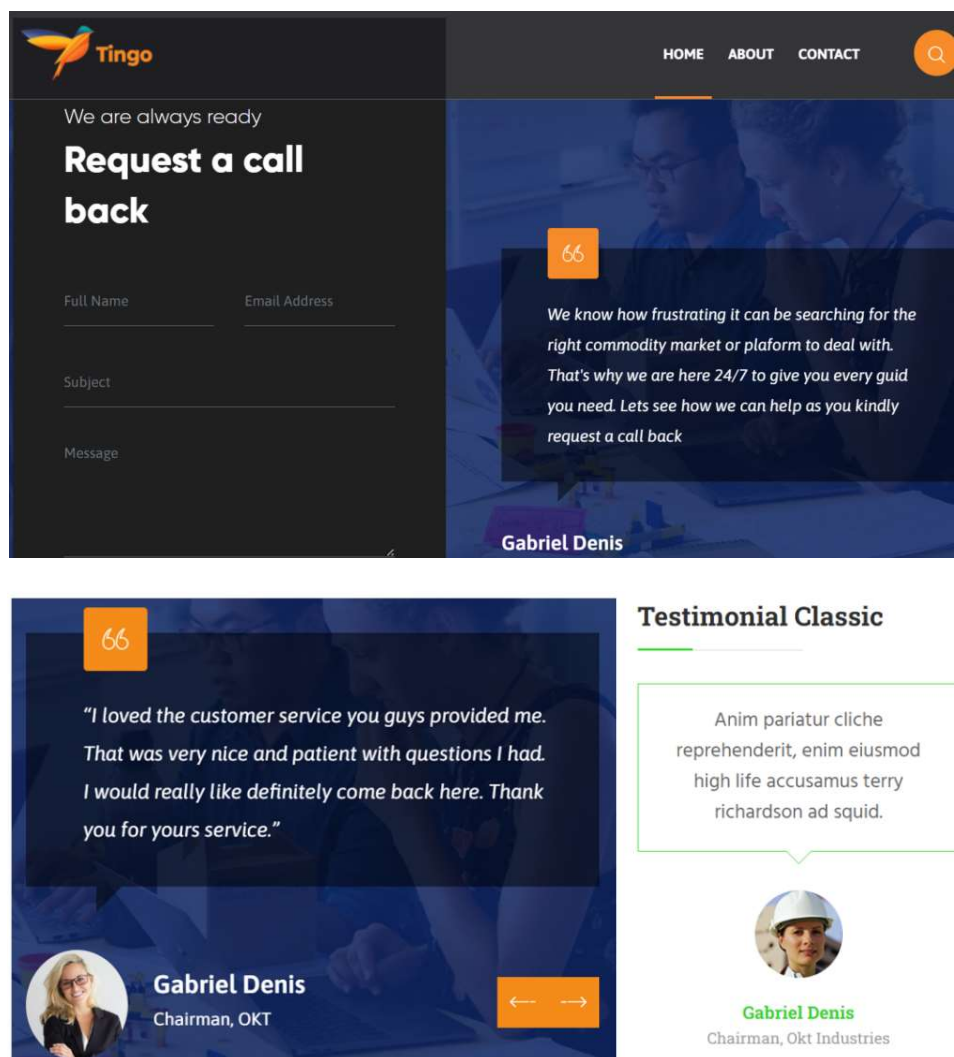
Similarly, utilizing ImportGenius, we were also unable to find any import-export record from Tingo or any of its subsidiaries or trade partners.

Needless to say, this is a massive red flag indicating that Tingo's claimed exports may be a total fabrication.

Tingo DMCC's Website Has Numerous Non-Functioning Links And Includes A Fake Testimonial That Appears Leftover From The Website Template

Tingo's DMCC website was newly registered in 2022. It appears to have **no live trading and no ability to set up an active trading account**. All links go to prices on external website www.TradingView.com. The website has numerous non-functioning links and circular references that redirect back to the main home page.

The website includes a fake testimonial that appears leftover from the website template. The same “Gabriel Denis” in Tingo's testimonial is mentioned in multiple other websites that share the same format.



121. In part six, titled *Tingo's Financials Seem Completely Fabricated*, the Hindenburg Report I stated:

Given Tingo's irregularities, with no signs of genuine customers, products, facilities, or really much of anything at all except bad photoshopping skills, one might wonder about the [C]ompany's glowing reported financials.

As a reminder, the [C]ompany has a claimed cash balance of \$780 million, and quarterly revenue and net income of \$851 million and \$177 million, respectively.

Tingo Financial Statements Are Riddled With Errors And Typos, Including A Note To Itself That It Apparently Forgot To Delete: "Please Update For The Tingle (sic) Transaction"

In what might be considered foreshadowing, Tingo's annual report filed [on March 31, 2023] with the SEC includes a note to itself, with its own company name

spelled wrong, that it forgot to delete. The report's related party transactions note implores someone to "Please update for the tingle transaction including the tingle foods transaction."

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Darren Mercer, our Chief Executive Officer, and a director, presently owns, with certain family members and related parties, approximately one third of the issued and outstanding shares of GFH and is the sole officer and one of three directors of GFH.

Please update for the tingle transaction including the tingle foods transaction

The section as reported didn't end up including the Tingo Foods (or "tingle foods") transaction.

In another instance, Tingo Mobile, the "Comprehensive Platform Service" segment, claimed \$253.466 million in revenues in Q1 2023:

SEGMENT RESULTS OF OPERATIONS

	Three months ended	
	March 31,	
	2023	2022
Revenue		
<i>Fintech Verticals and Technology</i>	\$ 20,552,000	\$ 9,533,000
<i>Online Stock Trading</i>	8,000	30,000
<i>Comprehensive Platform Service</i>	253,466,000	-
<i>Food Processing</i>	577,219,000	-
Total	\$851,245,000	\$ 9,563,000

The explanatory note to these results then says the following:

"Gross profit related to the Comprehensive Platform Service segment for the three months ended March 31, 2023, was \$156,010,000 representing a gross margin of 24%."

While the note says the gross margin was 24%, math would suggest that the gross margin is actually 61.55% (i.e., \$156.01 million in gross profits divided by \$253.466 million in revenues.)

Similarly (shown below), the [C]ompany seemingly forgot to add 3 zeroes to its cost of revenues for its Food Processing segment. We suspect it meant to report \$348,896,000 (versus \$348,896, which would give the segment an impressive 99.94% gross margin):

Food Processing

- Net revenues related to the Food Processing segment for the three months ended March 31, 2023 were \$577,219,000, as compared to nil for the three months ended March 31, 2022. The increase is attributable to the Tingo Foods acquisition which was completed on February 9, 2023, resulting in the inclusion of the revenues of Tingo Foods from the months of February and March.
- Cost of revenues related to the Foods Processing segment for the three months ended March 31, 2023, was \$348,896 as compared to nil for the three months ended March 31, 2022. The increase is again attributable to the Tingo Foods acquisition and the inclusion of its cost of sales from the months of February and March.

More Troublingly, Tingo's Cash Flow And Balance Sheet Statements In Both Its Audited Annual And Unaudited Quarterly Filings Appear To Have Glaring Issues

Beyond typos and other errors in notes, the company's core financial statements also exhibit major irregularities.

The [C]ompany seems to get its signs/directions confused. For example, with every other company we are aware of, a reduction in accounts receivable is considered a *source* in cash, given that the [sic] it means the accounts were paid.

Contrary to this, Tingo's financial professionals seem to think that a \$150 million reduction in accounts receivables somehow drains the [C]ompany of cash, per its latest quarterly report.

	Three months ended March 31,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net profit (loss)	\$ 176,424	\$ (8,845)
Adjustments to reconcile net loss to net cash used in operating activities:		
Loss from equity investment	208	184
Depreciation and amortization	111,055	871
Provision for doubtful accounts	570	118
Shares issued to service providers and employees	6,795	-
Stock-based compensation for employees and consultants	30	125
Changes in assets and liabilities:		
Change in deferred taxes, net	(3,656)	(1,073)
Change in long-term deposit and prepaid expenses	30	(203)
Change in right of use assets	259	324
Change in lease liabilities	(265)	(309)
Due to related party	(1,894)	737
Change in accrued interest	1,369	-
Increase (decrease) in trade accounts receivable, net	(150,131)	(3,346)
Increase in other current assets	1,367	(640)
(Decrease) increase in trade accounts payable	(2,458)	(3,606)
Decrease in deposit held on behalf of client	(198)	(198)
Increase in other current liabilities	103,288	401
Net cash provided by (used in) operating activities	\$ 242,793	\$ (8,362)

The issue goes beyond its cash flow statements. Despite Tingo's cash flow statement reporting that receivables *decreased* by \$150.1 million, Tingo's balance sheet in the same period reported that receivables *increased* by \$345.2 million.

TINGO GROUP, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(USD In Thousands, Except Share and Par Value Data)

	March 31, 2023	December 31, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 780,153	\$ 500,316
Trade accounts receivable, net	356,771	11,541
Related party receivables	14,535	13,491
Other current assets	4,686	5,828
Total current assets	1,156,145	531,176

We couldn't find any explanation for the \$495.3 million accounts receivable discrepancy and suspect neither the trade receivables [n]or cash balances are real.

The issue is not just isolated to Tingo's unaudited quarterly report. Its annual report, which was audited and given a clean audit opinion, seems to suffer from the same issues. Its balance sheet shows a \$6.3 million annual reduction in trade receivables while its cash flow statement shows an increase of \$7.7 million in the same line item. The annual report *also* includes the supposed accounts receivable increase as a *source* of cash in its cash flow statements, again mixing up the signs.

Note that the above is just a sampling of the issues. We identified similar issues with accounts payable, deferred taxes, current liabilities[,] and PP&E.

In short, Tingo seems to have little financial controls whatsoever and its auditor seems to have completely missed it.

We Strongly Suspect Tingo's Cash Balance, Which It Conveniently Claims Is Held In Nigeria, Is Fake

The Company Collected Only ~12% Of The Interest Income One Would Expect From Its Claimed Cash Balances

Tingo claimed to have \$780 million in cash as of Q1 2023. Per the same financials:

"The majority of the cash is held at its bank in Nigeria, and there are certain foreign exchange restrictions in place that limit the conversion of such cash into US Dollars"

Despite its claims, Tingo has received far less interest on its cash than one would expect.

Interest rates on Nigerian deposits are around 8%. Tingo supposedly had \$500 million in cash at year-end 2022 and \$780 million at the end of Q1. If we conservatively assume a \$600 million average cash balance, Tingo should have received about \$12 million in interest income for the quarter. However, the [C]ompany reported just \$1.4 million.

**Tingo's Auditor Is An Israeli Firm That's Part Of The Deloitte Global Network
It Gave Tingo A Clean Audit Opinion For 2022 Despite What We View As
Glaring, Obvious Anomalies That Even Basic Auditing Checks Would Have
Spotted From A Mile Away**

The issues in Tingo's financials are glaring enough that we'd expect they could have been spotted by any semi-conscious finance undergrad with severe vision loss.

These issues were apparently not glaring enough for the company's auditor, however.

In October 2022, Tingo's auditor, Friedman LLP resigned. In Friedman's place stepped Brightman Almagor Zohar & Co., a firm in the Deloitte global network. The Israeli-based audit office is an odd choice given that Tingo has no signs of substantive operations in Israel. In its 2022 audit, "Deloitte Israel" gave Tingo an unqualified audit opinion.

For 2022, Tingo disclosed that it paid over \$1.5 million to its auditors for audit related fees including its annual audit and reviews of quarterly reports.

Given the obvious errors, we suspect Deloitte Israel missed or rushed through procedures that would have uncovered important findings. Deloitte is a big-4 firm with a reputation worthy of protecting. We hope it chooses to do so.

**Conclusion: We Think Tingo Is A Brazen Fraud That Should Serve As A
Humiliating Embarrassment For All Involved**

Tingo is a word in the Pascuense language of Easter Island meaning, "to borrow objects from a friend's house, one by one, until there's nothing left."

For a company that did an otherwise terrible job trying to pretend to be a real business, it landed on an absolutely perfect name.

We expect Tingo will not be long for this world—another cautionary tale.

122. In response to these announcements on June 6, 2023, the Company's stock price lost almost half of its value. On June 5, 2023, the stock closed at \$2.55 per share. The next day,

after the release of the Hindenburg Report I, the stock closed at \$1.32 on unusually heavy trading volume—a decrease of approximately 48%.

123. On August 31, 2023, Hindenburg published a second report titled *Tingo Forges Ahead With Its Brazen Scam as a \$725 Million in Claimed Cash Disappears From its Balance Sheet in One Quarter*, which was updated on September 5, 2023 (the “Hindenburg Report II”).⁶ After Tingo responded to the Hindenburg Report II by doubling down on its lies, Hindenburg issued an update to the Hindenburg Report II on September 5, 2023.

124. The Hindenburg Report II stated:

9/5/2023 Update: Further Response To Tingo’s Absurd Claims And Obfuscation From The Company’s September 1st Release

Once again, Tingo has continued to charge ahead with new, obvious lies in a statement it put out on Friday, September 1st. We have never seen a public company choose to forge forward with brazen and obvious fabrications in this manner. Tingo’s management, including [Mercer, Mmobuosi, Cleverly, and Chen] appear to all be betting that by the time they are forced to face the consequences of their choices, they will already be long gone with the money.

Our update from last week asked Tingo for the bare minimum that almost all public companies provide: specifics on its unnamed key customers, unnamed legal counsel, unnamed banks, unnamed vendors[,] and its unnamed contacts at its newly-claimed key supplier. Once again, the [C]ompany has failed to provide specifics on any of these while concocting new shape-shifting responses to the extensive and growing body of evidence that it is simply fabricating its business operations.

First, Tingo has still not named the banks it claims held \$780+ million of its cash before nearly all of it mysteriously disappeared this quarter.

Additionally, Tingo once again provided no detail on its previously hyped relationship with law firm White & Case LLP, while continuing to let market participants believe the relationship is still active. It has not named the other law firms it is said to be working with, or in what capacity it is working with them.

⁶ Unless noted otherwise, emphasis, punctuation, and capitalization in the Hindenburg Report II are in the original and internal citations and hyperlinks are omitted.

Tingo has also failed to explain why the new “UGC” supplier entity it claims to now work with, essentially its sole claimed supplier of millions of mobile phones, doesn’t match the entity named in its own SEC filings.

The [C]ompany also failed to explain why its new claimed contract start date with UGC contradicts the start date mentioned in its SEC filings.

When asked for specifics about its new claimed UGC supplier entity, such as the name of a key contact, a website, or any tangible evidence of its existence at all, Tingo provided none. Tingo now simply says the entity is based “in Africa”, without naming the country. **Recall that Tingo just claimed it advanced this mystery entity a stunning \$434 million in cash in the weeks after we questioned the company’s cash balance.** (For more detail on Tingo’s absurd, shape-shifting responses to questions about UGC, see the appendix below.)

Revisionist history now seems to be the PR strategy for Tingo.

For example, days ago, the Ailoje Royal Farms cooperative, which Tingo claims accounts for 4.844 million customers, put out a public statement saying it has no business relationship with Tingo whatsoever, after previously telling us and media that it has fewer than 100 farmers total, and that Tingo was misusing its name as part of a scam.

Tingo’s response, incredibly, is that the cooperative is run by *someone else*, a head of a faction of a different farming cooperative called AFAN that was previously suspended and has faced controversy over its legitimacy (and which Tingo is funding and is closely tied to). Tingo also *now* claims that Ailoje Royal Farms is no longer a single cooperative—instead it is now a consortium, working with 1,100 smaller, unnamed cooperatives spread across every state in Nigeria.

Tingo also now claims that the **Kebbi** (Dala) Multi-Purpose Cooperative Society, which also has no website or apparent public signs of existence aside from its mention in Tingo press releases, is not actually based in the **Kebbi** state. The cooperative, which Tingo says accounts for 4.5 million customers, is now based 730km away in the Kano state and it, too, now works with unnamed partnerships and co-ops in 19 states in Northern Nigeria.

The claimed Kebbi partnership, which Tingo has ostensibly held as a key relationship since at least 2014, is now claimed to be headed by an individual named “Haib Umar”. Note that a Google search of the name “Haib Umar” displayed results showing Tingo’s press release and misspellings of individuals named “Habib Umar”.

In March 2022, just last year, a “Habib Umar” was named in *an article about Tingo* as heading a ***totally different and vastly smaller cooperative*** called the “Muryar Manoma Arewa Multi-purpose Association”, which counted only 600,000 members.

We are meant to believe that the Tingo article about Haib/Habib Umar and a totally other cooperative (the only public mention of its existence that we could find, by the way) left out that Umar was already heading a different and vastly larger cooperative that already had 4.5 million Tingo customers? As was the case with Tingo's "rebuttal" about "UGC Technologies Company Limited" last week, Tingo seems to simply be slightly altering names of its claimed partners and associates to try to cover its tracks.

We also noted in our response that Tingo's lone claimed telecommunications provider, Airtel, **publicly denied it had a contract with Tingo** following our report, despite Tingo's claims for years to have had an agreement with Airtel.

Tingo had claimed this key Airtel relationship existed in relatively unchanged form as recently as a June 2nd 2023, in a prospectus amendment. But following our report on June 6th, and Airtel's clear and public denial of the relationship, the [C]ompany claimed in its response to us 3 months later that it suddenly no longer has an agreement with Airtel and now works with a 3rd party mystery vendor that it can't name.

As to Tingo's Nwassa platform, the [C]ompany claims that it has managed to generate hundreds of millions in revenue in 6 months despite having no website and no app. This comes despite Tingo's previous claims to have invested almost \$200 million in infrastructure in support of these efforts.

Again, the [C]ompany has said it operates this mega-revenue generation through a system of text-to-order that local media has already debunked as non-functioning. Tingo expects investors to believe that many of Nigeria's largely subsistence farmers are texting one entry at a time to "purchase items such as farming inputs, insurance, micro-loans, or additional airtime" to the tune of hundreds of millions in transaction volume.

As to Tingo DMCC, the company's claimed export platform that is, according to the [C]ompany, somehow magically on track to export more agricultural products than the entire nation of Nigeria, Tingo has claimed that its sales do not show up on export records because of the nature of how they are shipped: on land versus marine. The [C]ompany has once again provided zero documentation to substantiate its claimed exports in any transportation medium.

Overall, it has become clear that Tingo has chosen to brazenly lie until it is all over, legal consequences be damned. Worse, the [C]ompany hasn't even made an effort to come up with credible lies. When faced with direct evidence contradicting their claims, they simply revise history, or change the story to make everything more nebulous and opaque.

And here's the rub: **Tingo will continue to successfully rope in retail investors who trust that SEC filings have meaning, who trust that a Nasdaq listing has meaning, who trust that a Deloitte audit client means something, and who trust**

that the existence of a board with independent directors has meaning. Those retail investors will be taken for a ride as the [C]ompany announces new glowing fake numbers and other grandiose claims as insiders cash out at their expense.

Sadly, those retail investors will be mistaken, and it will not be their fault. Tingo is a stock market embarrassment at a level that we have never seen.

Appendix: Tingo’s Absurd, Shape-Shifting Contradictions About Its Claimed Key Mobile Phone Supplier

Note that Tingo’s SEC filings at various times contradict themselves about the name of the UGC entity that it claims is responsible for supplying “almost all its mobile phones”:

- Tingo Group’s 2022 10-K refers to the entity as “**UGC Technologies Company Limited**”.
- Tingo Inc.’s 2021 10-K refers to the entity as “**UGC Technologies Group**”.

Both of those entity names found in Tingo’s SEC filings match names used by the entity we contacted, while *neither* match the new claimed entity name from Tingo’s recent ‘rebuttal’ press release, “**UGC Technologies Limited**”. This discrepancy is of course massive and Tingo has made no effort at all to explain it.

Note another key discrepancy: Tingo Group’s 2022 10-K filed in March 2023 says the UGC entity is based in “**Shenze Town, China**” while its proxy statement filed just 2 months later in May 2023 says the UGC entity is based in the sort of similarly-named but very different “**Shenzhen City, China**”. The latter is a full 2,000km away in a completely different province.

A thorough search of Chinese corporate records revealed no entity starting with “**UGC Technologies**” at all, anywhere in China.

The only entity we found with a somewhat similar name was “**UGC Technology Limited**” (not the plural “Technologies”). The entity is based in a different location (Hong Kong) and formed at a different time (October 2010) than the various entity names/locations claimed in Tingo’s press release. In short, it is not a match.

Tingo could clear all this up by simply providing a company code for its claimed China-based entity, and the actual country in Africa where its claimed supplier entity exists, or any of the corporate records for the entity or other specific information we asked for. It has not done so despite having ample opportunity

Our Response From August 31st

Yesterday morning, August 30, 2023, Tingo Group issued a press release announcing it had completed an investigation into the issues we raised about the

company in our June 6, 2023 report entitled “Tingo Group: Fake Farmers, Phones, and Financials – The Nigerian Empire That Isn’t.”

Given the nearly 3-month gap since our report, and after multiple delays, Tingo’s largely retail investor base euphorically welcomed the news, which essentially announced a clean bill of health. The stock spiked by 65% on 7x normal volume for the day.

This morning, the [C]ompany released its quarterly report, once again claiming blockbuster quarterly revenue of \$977 million along with earnings of \$96 million. It also promised a \$20 million dividend, contingent on the [C]ompany receiving approval from the Nigerian government to convert the money. On this morning’s subsequent conference call, the company confidently indicated to investors that its revenue, earnings, customer base and cash position, among numerous other metrics, were all poised to spike massively.

These reported numbers and stated guidance would of course be exciting, were it anywhere close to reality. However, a careful review of the [C]ompany’s recent releases indicate Tingo has done little but continue to lie about every key aspect of its business – all while failing to address every question we’ve raised.

It bears repeating: we have never seen a scam so thorough, obvious[,] and brazen as Tingo – a true outlier, even in a market rife with fraud.

Tingo Initially Claimed It Would Release Findings Of An Independent Investigation From Law Firm White & Case LLP

Yesterday’s Release Made No Mention Of White & Case

Instead, The “Investigation” Amounted To The Company *Investigating Itself*, With Help From Its Own Non-Independent, Outside Counsel

On June 8th, Tingo announced it had hired respected law firm White & Case, LLP to conduct an *independent* review to be reported to the [C]ompany’s independent directors.

But yesterday’s release made clear that those goal posts had moved, with Tingo’s investigation now “based on the Company’s outside counsel’s investigation and further investigative work of its own.” Essentially, Tingo *investigated itself* with help from its own outside (non-independent) counsel, after receiving an “interim report” from an unnamed independent law firm.

Notably, yesterday’s release made no mention of White & Case, which reportedly ended its engagement with Tingo in July, despite the [C]ompany offering no update or disclosure about the status of the relationship, which the market likely assumed was ongoing.

Unsurprisingly, Tingo's Investigation Into Itself Was Filled With Inconsistencies And Fresh Evidence That It Continues To Outright Lie To Investors

Tingo's release yesterday failed to distinguish who investigated which allegations, leaving investors in the dark about how much of Tingo's "investigation" was simply management giving itself a clean bill of health. The release also failed to detail its investigative methodology and provided no evidence or basis for any of its claimed confirmations.

Instead, the [C]ompany declared that its stunning financial results were delivered by generating revenue through unnamed vendors and payment providers, processing its food through unnamed outsourced third parties, selling to unnamed key customers, then depositing the cash in unnamed banks.

All the while, the cash seems to have vanished. As of its latest quarterly results, ~\$1.2 billion of Tingo's claimed cash has disappeared through a series of advances and payments, including some to suppliers that don't seem to exist.

We Asked Tingo A Simple Question: Which Banks Hold Tingo's Claimed \$780 Million In Cash?

The Company Failed To Answer, Instead Reporting That Its Cash Balances Had Dropped By \$725 Million In The Quarter, In Large Part Due To A Claimed \$434 Million Advance To An Imaginary Phone Supplier

In [the Hindenburg Report I], we documented evidence showing that virtually every aspect of Tingo's operations were fabricated or exaggerated.

Consequently, we questioned the company's claimed industry-leading financial margins and ultimately its cash balance of \$780 million as of Q1 2023. In our series of follow-up questions, we asked simple questions, such as which banks Tingo uses to hold its cash balances. These questions were also asked by the Financial Times and have thus far gone unanswered.

In yesterday's release, the [C]ompany continued to avoid naming its banks, declaring simply that:

"Bank statements were obtained directly from the banks used by Tingo Mobile and Tingo Foods, and interviews with the banks were conducted over video conference calls. The bank balances of each company were confirmed at several dates."

The [C]ompany made no effort to share who performed these claimed checks and there was no mention of the involvement of auditors or independent legal counsel.

Following these and other questions we asked, the [C]ompany reported today that its cash had dropped by a stunning \$725 million **over the course of one quarter**.

In total, the company reported \$1.17 billion in depleted cash, which included last quarter's claimed cash and new claimed cash from the recent quarter:

Cash Utilization

The Company utilized its substantial cash balances to invest heavily in the growth of the business of Tingo Mobile, Tingo Foods and Tingo DMCC



\$ in Millions	Quarter ended June 30, 2023
Upfront payment of \$434.2 million on the purchase of 6 million handsets for new AFAN customers	\$434.2
Prepayment to AFAN for produce for Tingo Foods and settlement of their brought forward payables	336.1
Self-funding stock purchases for Tingo DMCC's export sales, the revenues for which are scheduled to be received during the third quarter	225.8
Tax Payments for Tingo Mobile for FY2022	174.0
Total of Notable Payments	1,170.1
Cash Balance at June 30, 2023 ¹	53.2

The largest outlay of \$434.2 million went to an up-front payment to Tingo's mobile phone supplier which doesn't seem to exist, as we detail below. Other outlays went to claimed prepayments of product not-yet-received and tax payments to the government.

Our Report: We Reached Out To “UGC Technologies Company Limited”, Tingo's Key Claimed Supplier Of Millions Of Phones Since 2020, Per Company SEC Filings

UGC's CEO Went On The Record Saying It Had No Relationship At All With Tingo, Despite Having Preliminary Discussions With Tingo In 2020

Tingo Responded By Claiming That Its Supplier Relationship Is Actually With A Different (But Similarly-Named) Entity, Contradicting Its Own SEC Filings

Tingo's 2022 annual report said that “UGC Technologies Company Limited” and another company called Bullit Mobile Limited were sole suppliers of its mobile phones. Tingo's response yesterday noted that “Tingo Mobile has purchased almost all its mobile phones from UGC Technologies Limited to date”, identifying UGC as its sole key supplier.

As detailed in [the Hindenburg Report I], we reached out to both. The CEO of UGC Technologies Company Limited, Busty Okundaye, told us that his company had bid on a Tingo contract 3 years ago but never heard back from the company.

In yesterday's press release, Tingo now claims its earlier SEC filings were incorrect and that it purchased almost all of its phones to date from a similarly-named but different entity called “UGC Technologies Limited” (rather than UGC Technologies *Company* Limited). Tingo also wrongly claimed:

“Hindenburg contacted a company called UGC Mobile Technologies in the U.S., not Tingo Mobile’s supplier, UGC Technologies Limited, which has offices in Africa and China.”

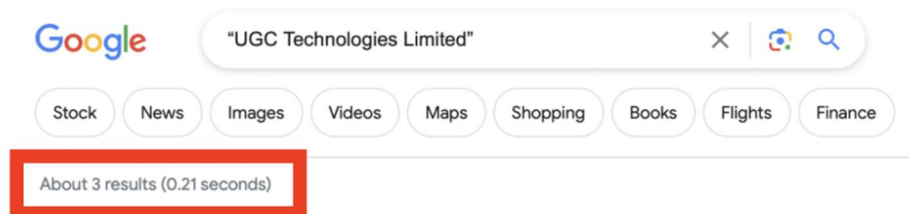
Note that the company we reached out to *does* match the name from Tingo’s SEC filings and *does* have offices in the U.S., China[,] and Africa.

Tingo’s New Claimed “Supplier” Corresponds With An Entity Set Up In Niger A Month After Our Report, In July 2023

It Obviously Has Not Been Supplying Millions Of Phones To Tingo Since 2020

One would expect a sweeping presence for a company that, according to Tingo’s press release yesterday, had sold millions of phones and has been around for at least 2 years with “offices in Africa and China.”

We found almost no evidence that Tingo’s new claimed supplier entity “UGC Technologies Limited” exists. We found no website or contact information. A Google search for the entity revealed only 3 results, the first 2 of which were from Tingo’s press release yesterday.



The third and final Google search result was from a Niger entity registry showing that an entity “UGC Technologies Limited” was registered in July 2023, one month after our [Hindenburg Report I] and almost three years after Tingo claims to have begun a contractual relationship with the company.

The Niger entity filings, translated from French to English with Google translate, state that UGC Technologies Limited filed its trade and credit number registration on 07/28/2023.

ANNONCE LEGALE

Aux termes des statuts enregistrés à Niamey, il a été constitué une société ayant les caractéristiques ci-après :

Dénomination sociale : UGC TECHNOLOGIES LIMITED

Forme juridique : SARLU

Objet : La société a pour objet:

Autres services personnels n.c.a - S960004 (Assemblage et le contrôle de téléphones portables;
Fourniture d'accessoires informatiques ; Vente d'accessoires téléphoniques ; Vente de consommables informatiques ; Réseau (switch, routeur, câble, configurations de routeur) • Import-export; Commerce général; Création, l'acquisition et l'exploitation de tous fonds de commerce; Participation de la société dans toutes entreprises et sociétés Nigériennes ou étrangères ayant un objet similaire ou connexe, le tout directement ou indirectement par voie de création de sociétés, d'apports, de souscriptions, d'achat de titres de droits sociaux, de fusion, d'alliance, d'association en participation, de prise en location-gérance de tous biens et autres droits ; Toutes opérations généralement quelconques pouvant concerner directement ou indirectement l'achat, la vente, l'échange, le négoce, l'importation de tous produits et marchandises, Et plus généralement, toutes opérations industrielles, commerciales ou financières, mobilières ou immobilières pouvant se rattacher directement ou indirectement à l'objet social et à tous objets similaires, connexes ou complémentaires susceptibles d'en faciliter l'extension et le développement.)

Siege social : siège social à Niamey ; Quartier Banifandou 3, BF.263, 99 69 59 65.
(République du Niger),

Capital social : 1.000.000 FCFA

Gérée par : Ali RAMBE ABUBAKAR

Durée : 99 ans à compter du 28/07/2023

Dépôt au Greffe Immatriculation: Les pièces constitutives ont été déposées au Greffe ou la

Société a été immatriculée au Registre de Commerce et du Crédit Immobilier sous le numéro

NE-NIM-01-2023-B13-00404 en date du 28/07/2023.

Other Obvious Inconsistencies: In Tingo's SEC Filings, It Claimed Its Contract With Supplier UGC Technologies Was Entered Into In March 2020

In Its Release Yesterday, Tingo Claims The Relationship Started 9 Months Later, In December 2020

Such Shape-Shifting Key Details Further Indicate That Tingo Has Simply Made Up The Existence Of The Relationship

The likelihood that there were two similarly named UGC's with identical business offerings located in identical jurisdictions is highly unlikely. The notion that one of those entities (which actually has a website and public presence) happened to bid on a Tingo contract and never heard back and the other one (with no public presence at all) actually won the contract, is essentially impossible.

Other obvious inconsistencies indicate that Tingo is simply making the story up as it goes along. Tingo's SEC filings say "In March 2020, Tingo Mobile entered into a mobile phone procurement contract with UGC Technologies Company Limited."

Yet Tingo's release from yesterday now says the contractual relationship started 9 months after this, in December 2020.

Tingo should share basic details about its claimed relationship with UGC—how did the [C]ompany even find this entity that has no website and no public presence? Who are its main contacts? Where are the manufacturing facilities? Where are the import or export records for its previously claimed purchased phones, which also don't exist? Who is listed as signatory on the contracts?

In short, Tingo appears to be once again fabricating the existence of a supplier relationship and making very little effort to mask the deception.

Tingo Claims It Advanced \$434.2 Million In Cash To Its New Supplier This Quarter, Conveniently Wiping Out Much Of Its Suspect Balance Sheet Cash To An Entity That Appears Brazenly Fictitious

Normal supplier relationships require payment over time as product is produced and shipped, particularly for a supplier that has supposedly worked with a company for years.

Despite evidence that the entity has existed for only a month, Tingo reported in its latest results that it advanced a **whopping \$434.2 million** to UGC to produce 6 million mobile phones.

There is no evidence in any of Tingo's past filings that it made large advances to its claimed mobile phone supplier. There is simply no rational explanation for why a genuine supplier would require almost half a billion dollars up-front to continue producing phones.

The reality, it seems, is that Tingo is simply attempting to paper over its fake cash and fake supplier relationship with a new, incredibly obvious lie to explain why it can't confirm the existence of cash in its bank accounts.

Our Report Showed Tingo's Two Claimed Farmers Cooperatives, Which Supplied Virtually All Of Its 9.3 Million Mobile Customers, Had Fewer Than 100 Farmers Each

When Contacted, Both Said They Had Never Heard of Tingo

Tingo Responded By Saying It Had "Confirmed" Its Obviously Fictitious Relationships With The Cooperatives, Without Providing Further Detail

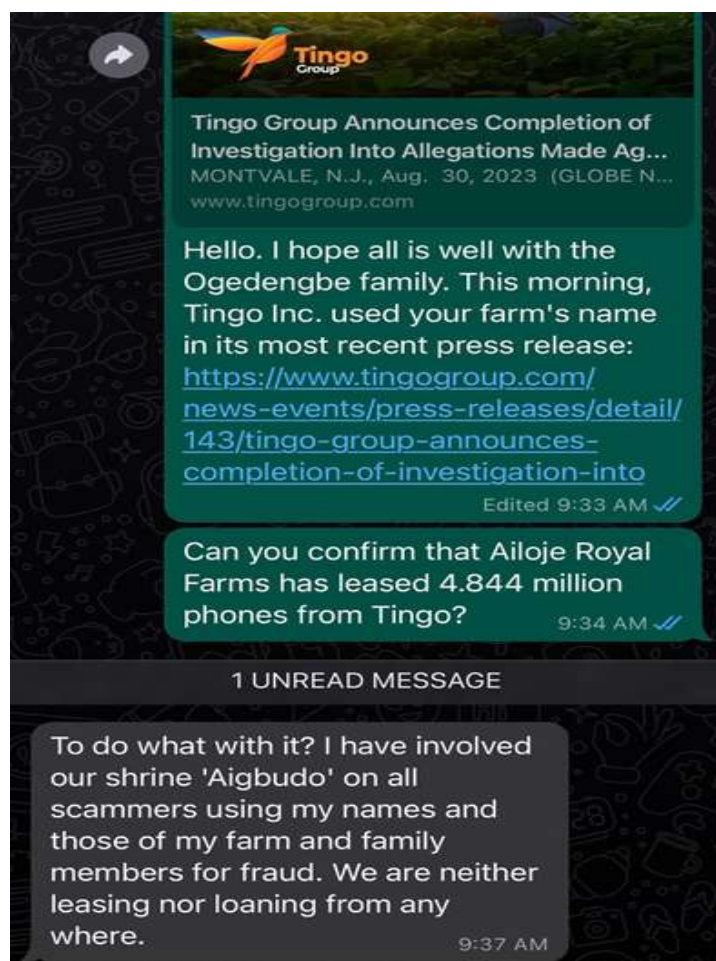
In yesterday's release, Tingo claimed:

"The two farming cooperatives referenced in the Hindenburg [Report I] were Kebbi and Ailoje, to which Tingo Mobile has leased 4.5 million and 4.844 million phones respectively. The relationships

with all the co-operatives and farming organizations have been confirmed.”

As Recently As Yesterday, One Of The Cooperatives (Accounting For a Claimed 4.844 Million Mobile Customers) Again Confirmed To Us That The Relationship With Tingo Has Never Existed

Following Tingo’s release, we once again reached out to the Ailoje Royal Farms cooperative. As of yesterday, the head of the cooperative once again denied having any phones, leases[,] or any relationship at all with Tingo.



Tingo Claims The Other Cooperative In Kebbi Is Responsible For 4.5 Million Leased Phones

The Partnership Told Local Media That It Had Fewer Than 100 Farmers Total

Kebbi’s Adult Population Is Only 2.7 Million People, Suggesting That If The Company’s Claims Were True, Each Adult In Kebbi Has 1.6 Tingo Phones Each

As to the other key claimed cooperative relationship with Kebbi, local media outlet WeeTracker earlier reported that it had reach out to the Kebbi Multi Purpose Co-operative Society. They were told that they too had no relationship with Tingo, no leased phones, and had very few members.

Notably, the entire population of Kebbi is projected at 5.5 million as of 2022, with only approximately 2.7 million people in Kebbi between the ages of 15-64. Tingo's claims of 4.5 million leased phones would mean that 82% of the population, including babies and the elderly, are farmers leasing Tingo phones.

Furthermore, cell service coverage from all carriers reaches less than 10% of Kebbi by area, rendering the use of such phones nearly impossible.

We Asked Why \$204 Million In Food Inventory Completely Vanished From Tingo's Financial Statements

The Company Claimed It Was Purchased By An Unnamed Customer, Which Doesn't Explain Why It Still Didn't Appear In The Company's Cash Flow Statement

Our [Hindenburg Report I] raised questions about numerous obvious errors in Tingo's financial statements. The [C]ompany brushed these aside, saying that errors amounting to hundreds of millions of dollars in misreported financials were merely "typographical".

One such item related to \$204 million in food inventory that completely vanished from Tingo's financials without explanation.

In its response, the [C]ompany wrote that the inventory was sold to an unnamed customer. The claimed sale was nowhere to be found in Tingo's filings, including its cash flow statements, which should have registered the decrease in inventory as a source of cash.

Investors are simply meant to accept that the disappearance of \$204 million from financial statements is somehow legitimate. Until this quarter's vaporization of over \$725 million in cash from the balance sheet, it was one of the largest disappearing acts of a substantial claim of value we had ever seen.

Tingo's SEC Filings Have Claimed To Date That It Has A Contract With A Single Telecommunications Provider Named Airtel


Airtel Wrote To Us That It Has No Relationship At All With Tingo

Tingo Responded By Now Claiming That Its Services Are Provided Through An Unnamed Third-Party Vendor That Works With 4 Different Providers, Once Again Contradicting Its Own SEC Filings

Tingo's historical SEC filings clearly indicate that Tingo Mobile has an agreement with Airtel, a major Nigerian telecommunications provider:

"Through a Mobile Virtual Network agreement with Airtel, Tingo Mobile provides its customers in Nigeria with voice and data services."

The filings go so far as to detail the terms of the services (how much data and minutes are provided and for what price, along with the split received by Tingo Mobile). But as reported in our original piece, Airtel expressly denied all of this, saying it had no relationship with Tingo Mobile:

 Tue 6/6/2023 9:45 AM
Alastair Jones <[REDACTED]@africa.airtel.com>
RE: Question on Airtel partnership
To: nathan [REDACTED]; Oluwafemi Oshinlaja
Cc: Paulina Ebie; Shola Adeyemi; Carl Cruz
i You replied to this message on 6/6/2023 9:49 AM.

Hi Nathan

Apologies for the delay in responding. We can say that Airtel Nigeria does not have any MVNO arrangement with any company called Tingo Mobile.

Regards
Alastair

Alastair Jones | Investor Relations, Airtel Africa

Tel: [REDACTED]

Email: [REDACTED]@africa.airtel.com

In yesterday's release, Tingo completely contradicted its own SEC filings, now conveniently claiming the relationship has suddenly and dramatically changed and that it instead operates through an unnamed third-party vendor:

"Tingo Mobile does not directly provide airtime and data services on the phones it leases to customers....Such services are currently provided by a third-party vendor. Tingo Mobile therefore does not require a Mobile License from the [NCC]. This arrangement allows Tingo Mobile's customers to choose the best network provider for their location from Airtel, MTN, 9 Mobile[,] and Globacom."

Tingo further claims, without stating when the change took place, that it now "earns a commission on the airtime and data services purchased by its customers, which it receives from its vendor, and which were previously received from Airtel."

We Wrote That Tingo's Nwassa Platform, Which Accounted For \$125.3 Million of Claimed Revenue in Q1 2023, Had No Functional Website. Local Media Reported That Its 'Text To Order' System Also Didn't Function At All

Yesterday, The Company Reiterated That Its Platform Works, Without Providing A Shred Of Evidence To Back Up Its Claim

Tingo Further Claimed That Transactions Are Processed By An Unnamed Payment Processing Company And Declared That Its Revenue Is "Confirmed" Without Further Explanation

In our August 9th release of 'Questions for Tingo', we asked about the [C]ompany's Nwassa platform, a claimed 'seed to sale' marketplace that exhibited no independently verifiable signs of existing:

"The NWASSA website still says 'under maintenance', as it has for months. How does Tingo expect investors to believe hundreds of millions of dollars in transactions are happening through an entity whose website doesn't exist? We have also raised questions about Tingo's claim that the Nwassa system uses USSD codes, a system of text messaging orders. Local reporting by Weetracker showed that when they tried the claimed Tingo USSD codes, they didn't work. How does the company explain this?"

In yesterday's release, the company answered no questions on the functionality of the platform and provided no evidence that it generates the revenue it claims from the platform. Rather, the company simply concluded that it works and that it "confirmed" its own revenue.

The [C]ompany also claimed for the first time that an unnamed Fintech partner processes the Nwassa payments and remits them to Tingo's unnamed banking provider:

"The transactions made through Nwassa are processed by a third-party payment processing company owned by an American multinational Fintech company, which collects a commission payment on behalf of Tingo Mobile on each transaction and remits the commissions to its bank account."

Finally, the [C]ompany said it "confirmed" its reported Nwassa revenue without detailing whether such confirmation was done internally or through an outside independent body. In other words, we are once again meant to just trust that a platform with no website and no online presence has taken over the Nigerian agriculture industry.

Our Report Showed That Tingo Claims Its ‘DMCC’ Platform Projects It Will Export More Food From Nigeria Than The Entire Nation’s Agricultural Exports, An Obvious Impossibility

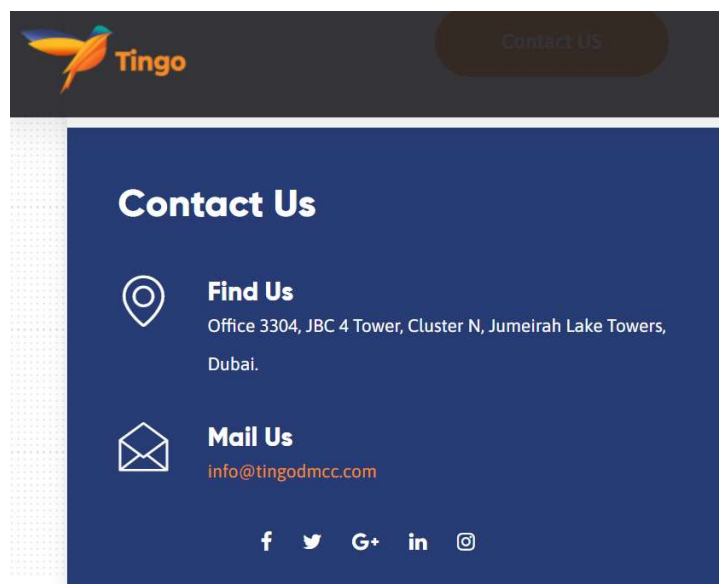
There Are Zero Import/Export Records Indicating The Company Has Exported Anything

Tingo’s Response: None

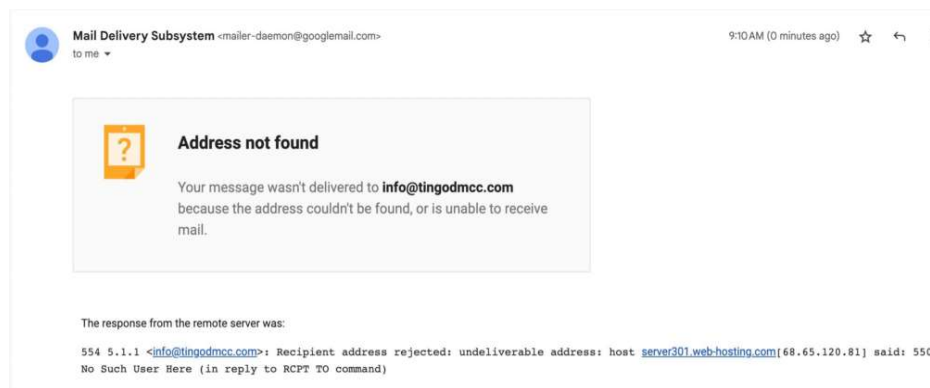
Our report highlighted that Tingo claims to be on track to export more than Nigeria’s entire 2022 agricultural exports, despite not producing, harvesting, or processing any agricultural goods of its own, and despite no export records indicating it has exported anything at all.

In its release yesterday, the [C]ompany made no effort to address these issues, claiming simply that it sold \$348 million worth of product through direct contacts with unnamed customers.

We sought to learn more about this obviously ridiculous notion, emailing Tingo DMCC through the email address from its website.



The email instantly bounced back, with Google servers citing an “undeliverable address.”



Tingo's lack of response follows a pattern of not answering any key, direct questions.

..........*

Conclusion: We Have Never Seen A Scam More Brazen And More Obvious Than Tingo

We strongly suspect that virtually all of Tingo's rosy claims and financials are fake. We also strongly believe that its previously claimed cash balance, which conveniently disappeared when we raised questions about it, never existed at all.

The [C]ompany has repeatedly misled investors about the nature of its claimed independent review and its relationship with White & Case, which we suspect no longer exists. The fact that the [C]ompany has avoided answering all questions and has simply blazed forward with more absurd claims shows that it has zero regard for potential consequences.

Thus far, NASDAQ and the [C]ompany's independent directors have tacitly blessed the situation with their silence, as has Deloitte, the [C]ompany's current auditor of record.

We do not expect it will end well.

125. In response to the release of the Hindenburg Report II on August 31, 2023, the Company's stock price decreased approximately 8%, again on unusually heavy trading volume. Specifically, while on August 30, 2023 the stock closed at \$1.40 per share, on August 31, 2023, the stock closed at \$1.29 per share.

126. Similarly, after Hindenburg updated the Hindenburg Report II on September 5, 2023, the stock price once again decreased by approximately 8%. While the stock

had closed at \$1.22 per share on September 1, 2023, on September 5, 2023 (the next trading day), it closed at \$1.12 per share.

SUBSEQUENT EVENTS

127. The SEC temporarily suspended trading of Tingo stock from November 14, 2023 to November 28, 2023 due to inadequate and inaccurate information.

128. On December 19, 2023, the SEC issued a press release announcing that it had filed the SEC Action. In the press release, the SEC stated:

[S]ince at least 2019, Mmobuosi spearheaded a scheme to fabricate financial statements and other documents of [Tingo, AFH, and Tingo International Holdings Inc.] and their Nigerian operating subsidiaries, [Tingo Mobile and Tingo Foods]. The SEC has obtained emergency relief including a temporary restraining order: (1) freezing Mmobuosi's assets; (2) prohibiting [Tingo International Holdings], OTC-traded [AFH,] and Nasdaq-listed Tingo [] from transferring money or property or issuing shares to Mmobuosi; (3) enjoining Defendants from selling or otherwise disposing of their respective holding in [AFH] and/or [Tingo] stock; (4) prohibiting [d]efendants and their agents from destroying, altering, or concealing records and documents; and (5) ordering [d]efendants to show cause why a preliminary injunction continuing the relief set forth in any temporary restraining order as well as ordering repatriation of proceeds and a sworn accounting should not be entered.

129. On January 2, 2024, the DOJ issued a press release unsealing the indictment of Mmobuosi. In its press release, the DOJ stated:

Damian Williams, the United States Attorney for the Southern District of New York, and James Smith, the Assistant Director in Charge of the New York Field Office of the Federal Bureau of Investigation ("FBI"), announced the unsealing of an Indictment charging [Mmobuosi] with securities fraud, making false filings with [SEC], and conspiracy charges. Mmobuosi is still at large.

U.S. Attorney Damian Williams said: "[Mmobuosi allegedly orchestrated a massive scheme to inflate [the Company]'s financial statements and make it appear as though the cellular and agriculture companies he founded were profitable and cash rich companies when, in fact, they were not. With this Indictment, Mmobuosi's alleged deceitful scheme comes to an end."

FBI Assistant Director in Charge James Smith said: "Mmobuosi's alleged fraud is an unseemly display of greed and corruption of our financial markets. Securities

schemes like this can be devastating for victim investors. That’s why the FBI is committed to bringing financial fraud to light and perpetrators like Mmobuosi to justice.”

According to the allegations contained in the Indictment unsealed in Manhattan federal court and court filings:

From at least in or about 2019 through in or about 2023, [Mmobuosi] orchestrated a scheme to enrich himself by falsely representing that Nigerian companies he founded, Tingo Mobile and Tingo Foods, were operational, profitable businesses generating hundreds of millions of dollars in revenue respectively. [Mmobuosi] then sold Tingo Mobile and Tingo Foods to companies listed in the United States, including [Tingo] (listed on Nasdaq as “TIO”) and [AFH] (traded in the Over-the-Counter Markets under symbol “TMNA”). As a result, [Mmobuosi] caused [the Company and AFH] to issue financial statements that falsely portrayed Tingo Mobile and Tingo Foods to be cash-rich, revenue-generating companies when, in fact, they were not. [Mmobuosi] then looted [the Company and AFH] by misappropriating cash from those companies and engaged in well-timed sales of their shares at inflated prices, generating millions of dollars of profits from his scheme.

130. In a February 20, 2024 press release, the Company announced that it was voluntarily delisting from Nasdaq due to, its noncompliance with Nasdaq Listing Rules 5250(c)(1) and 5605.

INVESTORS FILE SECURITIES CLASS ACTIONS

131. On June 8, 2023, a purported purchaser of Company stock filed a securities class action complaint, captioned *Arbour v. Tingo Group Inc. et al.*, Case No. 2:23-cv-03151 (ES) (MAH), in the United States District Court for the District of New Jersey against Tingo Group, Inc. and Mmobuosi, Mercer, and Chen (the “*Arbour* Complaint”). The *Arbour* Complaint alleges that throughout the class period of March 31, 2023 to June 6, 2023, the *Arbour* defendants made materially false and/or misleading statements, failing to disclose material adverse facts about the Company’s business, operations, and prospects. Specifically, the *Arbour* Complaint alleges that defendants failed to disclose to investors that (1) Mmobuosi fabricated biographical claims about

himself; (2) Tingo had photoshopped its logo onto pictures of airplanes it did not own; (3) Tingo inflated its food division margins; (4) Tingo published misleading images of its planned Nigerian food processing facility and overstated its progress on the facility's construction; (5) Tingo inflated its food inventory; (6) Tingo did not have relationships with the two farming cooperatives it claimed; (7) Tingo did not generated \$128 million in revenue for its handset leasing, call[, and data segments as it claimed; (8) Tingo's Mobile operation in Nigeria was delinquent on its tax obligations; (9) Tingo photoshopped its logo over pictures from a different point of sale system operator's website; (10) Tingo did not generate \$125.3 million in revenue from NWASSA; (11) Tingo's agricultural export business was not on track to deliver \$1.34 billion in exports by Q3 2023; (12) Tingo lacked effective controls over accounting and financial reporting; and (13) as a result of the foregoing, the *Arbour* defendants' positive statements about the Company's business, operations, and prospects were materially misleading and/or lacked a reasonable basis.

132. On June 8, 2023, a purported purchaser of Company stock filed a securities class action complaint, captioned *Bloedorn v. Tingo Group Inc. et al.*, Case No. 2:23-cv-03153 (ES) (MAH), in the United States District Court for the District of New Jersey (the "*Bloedorn* Complaint") against Tingo Group, Inc. and Mmobuosi, Mercer, and Chen the "*Bloedorn* defendants"). The *Bloedorn* Complaint alleges that throughout the class period of December 1, 2022 to June 6, 2023, the *Bloedorn* defendants made materially false and/or misleading statements, failing to disclose material adverse facts about the Company's business, operations, and prospects. Specifically, the *Bloedorn* Complaint alleges that: "(1) the Company overstated its revenue and other accounting metrics, creating a false impression of success; (2) the Company was not meaningfully engaged in many of the business activities it claimed would drive future growth; (3) many of the Company's supposed contracts with customers and suppliers did

not exist; and (4) in light of the above, Defendants' positive statements about the Company's business, operations, and prospects were materially misleading and/or lacked a reasonable basis."

133. On September 29, 2023, the Hon. Magistrate Judge Michael A. Hammer consolidated the *Arbour* and *Bloedorn* Actions under the caption, *Arbour v. Tingo Group Inc. et al.*, Case No. 2:23-cv-03151 (ES).

**THE INDIVIDUAL DEFENDANTS' MISCONDUCT
DIRECTLY AND PROXIMATELY CAUSES DAMAGES TO TINGO**

134. As a result of the Individual Defendants' misconduct, Tingo disseminated improper public statements concerning Tingo's operations, prospects, and internal controls. This misconduct has devastated Tingo's credibility.

135. As a direct and proximate result of the Individual Defendants' actions, Tingo has expended and will continue to expend significant sums of money defending and paying any settlement in the Securities Class Actions.

136. As a direct and proximate result of the Individual Defendants' actions as alleged above, Tingo's market capitalization has been substantially damaged, losing millions of dollars in value because of the conduct described herein.

137. Lastly, the actions of the Individual Defendants have irreparably damaged Tingo's corporate image and goodwill. For at least the foreseeable future, Tingo will suffer from what is known as the "liar's discount," a term applied to the stocks of companies that have been implicated in illegal behavior and have misled the investing public, such that Tingo's ability to raise equity capital or debt on favorable terms in the future is now impaired.

CONSPIRACY, AIDING AND ABETTING, AND CONCERTED ACTION

138. In committing the wrongful acts alleged herein, the Individual Defendants have pursued or joined in the pursuit of a common course of conduct and have acted in concert with and

conspired with one another in furtherance of their wrongdoing. The Individual Defendants caused the Company to conceal the facts as alleged herein. The Individual Defendants further aided and abetted and/or assisted each other in breaching their respective duties.

139. The purpose and effect of the conspiracy, common enterprise, and/or common course of conduct were, among other things, to (i) facilitate and disguise the Individual Defendants' violations of law, including breaches of fiduciary duty and unjust enrichment; (ii) conceal adverse information concerning the Company's operations, financial condition, future business prospects, and internal controls; and (iii) artificially inflate the Company's stock price.

140. The Individual Defendants accomplished their conspiracy, common enterprise, and/or common course of conduct by causing the Company purposefully, recklessly, or with gross negligence to conceal material facts, fail to correct such misrepresentations, and violate applicable laws. In furtherance of this plan, conspiracy, and course of conduct, Individual Defendants collectively and individually took the actions set forth herein. The Individual Defendants described herein were direct, necessary, and substantial participants in the common enterprise, and/or common course of conduct complained here because the action described herein occurred under the authority and approval of the Board.

141. Each of the Individual Defendants aided, abetted, and rendered substantial assistance in the wrongs complained of herein. In taking such actions to substantially assist the commission of the wrongdoing complained of herein, each of the Individual Defendants acted with actual or constructive knowledge of the primary wrongdoing, either took direct part in or substantially assisted the accomplishment of that wrongdoing, and was or should have been aware of his or her overall contribution to and furtherance of the wrongdoing.

142. At all times relevant hereto, each of the Individual Defendants was the agent of each of the other Individual Defendants and Tingo and was at all times acting within the course and scope of such agency.

**PLAINTIFF HAS BEEN A STOCKHOLDER SINCE THE
ALLEGED WRONGDOING AND WILL FAIRLY AND ADEQUATELY
REPRESENT THE COMPANY'S AND ITS STOCKHOLDERS' INTERESTS**

143. Plaintiff incorporates by reference and realleges each and every allegation set forth above as though fully set forth herein.

144. Plaintiff brings this action derivatively in the right and for the benefit of the Company to redress the Individual Defendants' breaches of fiduciary duties.

145. Plaintiff is an owner of Tingo common stock and has been an owner of Tingo common stock since the wrongdoing alleged herein.

146. Plaintiff will adequately and fairly represent the interests of the Company and its stockholders in enforcing and prosecuting the Company's rights.

**DEMAND IS FUTILE BECAUSE EACH DIRECTOR DEFENDANT
FACES A SUBSTANTIAL LIKELIHOOD OF PERSONAL LIABILITY**

147. The Board consists of three directors: Director Defendants Denos, Scott, and Trippier. The Director Defendants are incapable of making an independent and disinterested decision to institute and vigorously prosecute this action.

148. The Director Defendants all face a substantial likelihood of liability for their individual misconduct. The Director Defendants were directors throughout the time of the false and misleading statements and, as such, had a fiduciary duty to ensure the accuracy of the Company's SEC filings, press releases, and other public statements and presentations concerning Tingo's business, operations, prospects, internal controls, and financial statements.

149. Moreover, the Director Defendants owed and owe a duty to, in good faith and with due diligence, exercise reasonable inquiry, oversight, and supervision to ensure that the Company's internal controls were sufficiently robust and effective and were being implemented effectively, and to ensure that the Board's duties were being discharged in good faith and with the required diligence and due care. Instead, they knowingly and consciously reviewed, authorized, and/or caused the publication of the materially false and misleading statements discussed above that caused the Company's stock to trade at artificially inflated prices.

150. The Director Defendants face a substantial likelihood of personal liability because of their conscious and knowing authorization of false and misleading statements, their failure to timely correct such statements, their failure to take necessary and appropriate steps to ensure that the Company's internal controls were sufficiently robust and effective and were being implemented effectively, and their failure to take necessary and appropriate steps to ensure that the Board's duties were being discharged in good faith and with the required diligence constitute breaches of the fiduciary duties of loyalty and good faith, for which the Director Defendants face a substantial likelihood of liability.

151. If the Director Defendants were to bring a suit on behalf of Tingo to recover damages sustained as a result of this misconduct, they would expose themselves to significant liability. For this reason, Plaintiff's making a demand would be futile.

Scott And Trippier Face A Greater Likelihood Of Personal Liability

152. Scott and Trippier also approved the 2022 Proxy, the 2023 Proxy, and the 10K22 and, therefore, face a substantial likelihood of personal liability because of the false and misleading statements contained therein.

153. Additionally, as members of the Audit Committee during the Relevant Period, Scott and Trippier participated in and knowingly approved the filing of false financial statements. More

specifically, as members of the Audit Committee, the Scott and Trippier were obligated to review the Company's annual and quarterly reports to ensure their accuracy. Instead, Scott and Trippier, as members of the Audit Committee, failed to ensure the integrity of the Company's financial statements and financial reporting process and its systems of internal accounting and financial controls and other financial information provided by the Company, as required by the Audit Committee Charter. For this reason, Scott and Trippier cannot exercise disinterested business judgment in considering a demand.

FIRST CAUSE OF ACTION
Against the Individual Defendants for Breach of Fiduciary Duties

154. Plaintiff incorporates by reference and realleges each and every allegation set forth above as though fully set forth herein.

155. Each Individual Defendant owed to the Company the duty to exercise candor, good faith, and loyalty in the management and administration of Tingo's business and affairs.

156. Each of the Individual Defendants violated and breached his or her fiduciary duties of candor, good faith, loyalty, reasonable inquiry, oversight, and supervision.

157. The Individual Defendants' conduct set forth herein was due to their intentional or reckless breach of the fiduciary duties they owed to the Company. The Individual Defendants intentionally or recklessly breached or disregarded their fiduciary duties to protect the rights and interests of Tingo.

In breach of their fiduciary duties owed and owe to Tingo, the Individual Defendants willfully or recklessly made, or caused or permitted the Company to make, false and misleading statements and omissions of material fact. Specifically, the Individual Defendants failed to disclose to investors that (i) Mmobuosi lied about his background, education, and achievements – including falsely claiming he received a PhD and falsely claiming he developed Nigeria's first

mobile payment app; (ii) the Company fabricated and inflated its current financials, including claiming that it generated \$128 million in revenue for its handset leasing, call and data segments and that it had generated \$125.3 million in revenue from Nwassa; (iii) the Individual Defendants fabricated and inflated Tingo's projected financials, including leading investors to believe that its agricultural export business was on track to deliver \$1.34 billion in exports by the Company's third quarter 2023; (iv) the Individual Defendants used photoshop to advertise nonexistent successes, including passing pictures from a different point of sale system operator's website off as Tingo's own by photoshopping its own logo over those pictures and Mmobuosi urging customers on social media to fly with an airline business he claimed to have launched – even though he later admitted to never owning any aircraft and even though the pictures he represented as pictures of Tingo Airlines actually had Tingo's logo photoshopped onto pictures of airplanes it did not own; (v) the Individual Defendants publicized sham expansion projects, including misleading investors into believing that Tingo was breaking ground on a \$1.6 billion food processing plant and that it was making “significant progress” on the facility's construction even though the purported progress in reality consisted of six cinderblocks and a plaque; (vi) the Individual Defendants inflated both Tingo's food division margins, which it purportedly achieved by processing food through a mystery processing partner, and its food inventory; (vii) Tingo did not have relationships with the two farming cooperatives as claimed; (viii) Tingo lacked effective controls over accounting and financial reporting; and (ix) as a result, the Individual Defendants' positive statements about the Company's business, operations, and prospects were materially false, misleading, and lacked a reasonable basis.

158. Accordingly, Tingo's public statements were materially false, misleading, and lacked a reasonable basis during the Relevant Period, thereby causing the stock to trade at artificially inflated prices.

159. The Individual Defendants failed to and caused the Company to fail to rectify any of the wrongs described herein or correct the false and misleading statements and omissions of material fact referenced herein, thereby, rendering themselves personally liable to the Company for breaching their fiduciary duties.

160. The Individual Defendants also failed to maintain an adequate system of oversight, disclosure controls and procedures, and internal controls in breach of their fiduciary duties.

161. The Individual Defendants had actual or constructive knowledge that the Company issued materially false and misleading statements, and they failed to correct the Company's public statements. The Individual Defendants had actual knowledge of the misrepresentations and omissions of material facts set forth herein or acted with reckless disregard to the truth in that they failed to ascertain and disclose such facts even though such facts were available to them. Such material misrepresentations and omissions were committed knowingly or recklessly and for the purpose and effect of artificially inflating the price of the Company's securities.

162. The Individual Defendants had actual or constructive knowledge that they had caused the Company to improperly engage in the fraudulent schemes set forth herein and to fail to maintain adequate internal controls. The Individual Defendants had actual knowledge that the Company was engaging in the fraudulent schemes set forth herein, and that internal controls were not adequately maintained or acted with reckless disregard for the truth in that they caused the Company to improperly engage in the fraudulent schemes and to fail to maintain adequate internal controls, even though such facts were available to them. Such improper conduct was committed

knowingly or recklessly and for the purpose and effect of artificially inflating the price of the Company's securities. The Individual Defendants, in good faith, should have taken appropriate action to correct the schemes alleged herein and to prevent them from continuing to occur.

163. These actions were not a good-faith exercise of prudent business judgment to protect and promote the Company's corporate interests.

164. As a direct and proximate result of the Individual Defendants' breaches of their fiduciary obligations, Tingo has sustained and continues to sustain significant damages. As a result of the misconduct alleged herein, the Individual Defendants are liable to the Company.

SECOND CAUSE OF ACTION
Against the Securities Class Action Defendants
for Contribution under Sections 10(b) and 21D of the Exchange Act

165. Plaintiff incorporates by reference and realleges each and every allegation set forth above as though fully set forth herein.

166. Tingo along with the Securities Class Action Defendants (Chen, Mercer, and Mmbuosi) are named as defendants in the Securities Class Actions, which assert claims under the federal securities laws for violations of Sections 10(b) of the Exchange Act. If the Company is found liable in the Securities Class Action for these violations of the federal securities laws, the Company's liability will be in whole or in part due to the Securities Class Action Defendants' willful and/or reckless violations of their obligations as officers and/or directors of Tingo.

167. Because of their positions of control and authority as officers and/or directors of Tingo, the Securities Class Action Defendants was/were able to and did, directly and/or indirectly, exercise control over the business and corporate affairs of Tingo, including the wrongful acts complained of herein and in the Securities Class Action.

168. Accordingly, the Securities Class Action Defendants are liable under Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), which creates an implied private right of action for

contribution, Section 21D of the Exchange Act, 15 U.S.C. § 78u-4(f), which governs the application of a private right of action for contribution arising out of violations of the Exchange Act.

169. As such, Tingo is entitled to receive all appropriate contribution or indemnification from the Securities Class Action Defendants.

THIRD CAUSE OF ACTION
Against the Individual Defendants for
Violations of § 14(a) of the Exchange Act and SEC Rule 14a-9

170. Plaintiff incorporates by reference and realleges each and every allegation set forth above as though fully set forth herein.

171. Rule 14a-9, promulgated pursuant to Section 14(a) of the Exchange Act, provides that no proxy statement shall contain “any statement which, at the time and in the light of the circumstances under which it is made, is false or misleading with respect to any material fact, or which omits to state any material fact necessary in order to make the statements therein not false or misleading.” 17 C.F.R. § 240.14a-9.

172. The 2022 Proxy and 2023 Proxy violated Section 14(a) and Rule 14a-9 because they each solicited Tingo stockholder votes for, *inter alia*, director reelection, while simultaneously misrepresenting and/or failing to disclose the Company’s fraudulent conduct as described herein.

173. The Individual Defendants made untrue statements of material facts and omitted to state material facts necessary to make the statements that were made not misleading in violation of Section 14(a) and Rule 14a-9. By virtue of their positions within the Company and roles in the process and in the preparation of the 2022 and 2023 Proxies, the Individual Defendants were aware of this information and of their duty to disclose this information in the 2022 and 2023 Proxies.

174. The Individual Defendants knew that the statements contained in the 2022 and 2023 Proxy were materially false and misleading.

175. The omissions and false and misleading statements in the 2022 Proxy and 2023 Proxy are material in that a reasonable stockholder would consider them important in deciding how to vote on the re-election of directors. Indeed, a reasonable investor would view a full and accurate disclosure as significantly altering the “total mix” of information made available in the 2022 and 2023 Proxies and in other information reasonably available to stockholders.

176. As a direct and proximate result of the dissemination of the false and misleading 2022 and 2023 Proxies that the Individual Defendants used to obtain stockholder approval of and thereby re-elect directors, Nominal Defendant Tingo suffered damage and actual economic losses (*i.e.*, wrongful re-election of directors) in an amount to be determined at trial.

FOURTH CAUSE OF ACTION
Against the Individual Defendants for Unjust Enrichment

177. Plaintiff incorporates by reference and realleges each and every allegation set forth above, as though fully set forth herein.

178. By their wrongful acts, violations of law, and false and misleading statements and omissions of material fact that they made or caused to be made, the Individual Defendants were unjustly enriched at the expense of, and to the detriment of, Tingo.

179. The Individual Defendants benefitted financially from the improper conduct, received unjustly lucrative bonuses tied to the false and misleading statements, and received bonuses, stock options, or similar compensation from Tingo that was tied to the performance or artificially inflated valuation of Tingo, or received compensation that was unjust in light of the Individual Defendants’ bad faith conduct.

180. Plaintiff, as a stockholder and representative of Tingo, seeks restitution from the Individual Defendants and seeks an order from this Court disgorging all profits—including from insider sales, benefits, and other compensation, including any performance-based or valuation-

based compensation—obtained by the Individual Defendants from their wrongful conduct and breach of their fiduciary duties.

FIFTH CAUSE OF ACTION
Against the Individual Defendants for Waste of Corporate Assets

181. Plaintiff incorporates by reference and realleges each and every allegation set forth above, as though fully set forth herein.

182. As a further result of the foregoing, the Company will incur many millions of dollars of legal liability and costs to defend legal actions (evidenced, for example, by the Securities Class Actions), to engage in internal investigations, and to lose financing from investors and business from future customers who no longer trust the Company and its products.

183. As a result of the waste of corporate assets, the Individual Defendants are each liable to the Company.

SIXTH CAUSE OF ACTION
Against all the Individual Defendants for Aiding and Abetting

184. Plaintiff incorporates by reference and realleges each and every allegation set forth above, as though fully set forth herein.

185. Each of the Individual Defendants acted and is acting with knowledge of, or with disregard to, the fact that the Defendants are in breach of their fiduciary duties to Tingo and have participated in a conspiracy in breach of fiduciary duties.

186. In committing the wrongful acts alleged herein, each of the Individual Defendants has pursued, or joined in the pursuit of, a common course of conduct. The Individual Defendants have acted in concert with and conspired with one another in furtherance of their common plan or design. In addition to pursuing the wrongful conduct that gives rise to their primary liability, the Individual Defendants also aided, abetted, and assisted each other in breaching their respective duties.

187. The Individual Defendants collectively and individually initiated and followed a course of conduct that violated the federal securities laws; authorized corporate actions to serve their own personal interests rather than the interests of the Company and its stockholders; misrepresented material facts about the Company, its financial condition, and business prospects; prevented the disclosure of material information necessary to make statements complete and accurate; and failed to implement and maintain an adequate system of internal controls and corporate governance practices.

188. The purpose and effect of the Individual Defendants' conspiracy, common enterprise, and common course of conduct was, among other things, to disguise the Defendants' violations of law, including violations of the federal securities laws and breaches of fiduciary duty.

189. Each of the Individual Defendants played a direct, necessary, and substantial part in the conspiracy, common enterprise, and common course of conduct complained of herein.

190. Each of the Individual Defendants aided, abetted, and rendered substantial assistance in the wrongs complained of herein. In taking such actions to substantially assist the commission of the wrongdoing complained of herein, the Individual Defendants acted with knowledge of the primary wrongdoing, substantially assisted the accomplishment of that wrongdoing, and were aware of their overall contributions to and furtherance of the wrongdoing.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands judgment as follows:

- A. Declaring that Plaintiff may maintain this derivative action on behalf of Tingo and that Plaintiff is a proper and adequate representative of the Company;
- B. Awarding the amount of damages sustained by the Company as a result of the Individual Defendants' breaches of fiduciary duties and violations of the federal securities laws;
- C. Awarding prejudgment interest to the Company;

D. Granting appropriate equitable relief to remedy Individual Defendants' breaches of fiduciary duties and other violations of law;

E. Awarding to Plaintiff the costs and disbursements of the action, including reasonable attorneys' fees, accountants' and experts' fees and costs and expenses; and

F. Granting such other and further relief as the Court deems just and proper.

JURY TRIAL DEMANDED

Plaintiff hereby demands a trial by jury.

Dated: May 30, 2024

Respectfully submitted,

/s/ Melissa A. Fortunato

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Attorneys for Plaintiff

VERIFICATION

I, Jia Cheng, hereby verify that I have authorized the filing of the attached Verified Stockholder Derivative Complaint (“Complaint”). I have reviewed the allegations made in the Complaint, and as to those allegations of which I have personal knowledge, I believe those allegations to be true. As to those allegations of which I do not have personal knowledge, I rely on my counsel and their investigation and, for that reason, believe them to be true. I further verify that I am a current holder, and have been a holder, of Tingo Group, Inc. common stock since the time of Defendant’s wrongdoing alleged in the complaint. I declare under penalty of perjury that the foregoing is true and correct.

Executed this 23 day of May 2024.


NEOBUX HOME (May 23, 2024 21:42 GMT+8)
Jia Cheng